

1052. By Mr. KIESS: Petition of citizens of Potter County, Pa., protesting against House bills 7179 and 7822; to the Committee on the District of Columbia.

1053. By Mr. KNUTSON: Petition of C. H. Jepson, of Sebeka, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1054. Also, petition of J. B. Ishman, of Remer, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1055. Also, petition of Austin Houck, of Williams, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1056. Also, petition of Horatio S. Brown, of Williams, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1057. Also, petition of Mrs. Julia Bushnell, of Hill City, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1058. Also, petition of Frank Clark, of LaMoille, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1059. Also, petition of Chas. R. Merrell, of Swanville, Minn., and others, protesting against the enactment of the compulsory Sunday observance legislation; to the Committee on the District of Columbia.

1060. By Mr. LEAVITT: Resolution of the Gallatin County Federation of Women's Clubs, favoring extension of the provisions of the Sheppard-Towner maternity act; to the Committee on Interstate and Foreign Commerce.

1061. Also, petition of Mayor John W. Fryer, of Livingston, Mont.; Sheriff C. E. Gilbert and County Attorney Dan Yancey of Park County, Mont., protesting increase of the alcoholic content of permitted beverages as provided by bills now before Congress; to the Committee on the Judiciary.

1062. By Mr. McDUFFIE: Petition of citizens of Mobile against bills proposed for Sunday observance; to the Committee on the District of Columbia.

1063. By Mr. McREYNOLDS: Petition of citizens of Hamilton County, Tenn., against House bills 7179 and 7822; to the Committee on the District of Columbia.

1064. By Mr. MAJOR: Petition of citizens of Howard County, Mo., protesting against the passage of House bills 7179 and 7822; to the Committee on the District of Columbia.

1065. By Mr. MANLOVE: Petition of 80 residents of Vernon County, Mo., against compulsory Sunday observance; to the Committee on the District of Columbia.

1066. By Mr. MEAD: Petition from American Legion, New York State Department, re House bills 7089 and 6537; to the Committee on Immigration and Naturalization.

1067. By Mr. MICHENER: Petitions signed by many residents of Belleville, Wayne County, Mich., protesting against compulsory Sunday observance bills (H. R. 7179 and 7822), etc.; also petitions in reference to same matter from residents of Ann Arbor, Mich.; to the Committee on the District of Columbia.

1068. By Mr. O'CONNELL of New York: Petition of the International Longshoremen's Association, of Buffalo, N. Y., favoring the passage of House bill 9498, for compensation for longshoremen and harbor workers injured while working aboard ship; to the Committee on the Judiciary.

1069. Also, petition of the National Guard Association of the State of New York, to adequately provide funds for purchase, forage, attendants, and maintenance of animals for the National Guard; to the Committee on Military Affairs.

1070. Also, petition of the United States Maimed Soldiers' League, favoring the passage of Senate bill 1609 and House bill 3770, to increase the pensions of those who lost limbs or have been totally disabled in the same, or have become totally blind in the military or naval service of the United States; to the Committee on Invalid Pensions.

1071. Also, petition of citizens of Brooklyn, N. Y., opposing the passage of House bills 7179 and 7822, or any other national religious legislation; to the Committee on the District of Columbia.

1072. Also, petition of the National Editorial Association, favoring the passage of the Kendall bill (H. R. 4478); to the Committee on the Post Office and Post Roads.

1073. Also, petition of National Retail Dry Goods Association, of New York, favoring the passage of the Merritt bill

(H. R. 3904) with certain amendments; to the Committee on Interstate and Foreign Commerce.

1074. By Mrs. ROGERS: Petition of residents of Lowell, Mass., opposing House bills 7179 and 7822, compulsory Sunday observance; to the Committee on the District of Columbia.

1075. Also, petition of residents of Ayer, Mass., opposing House bills 7179 and 7822, compulsory Sunday observance; to the Committee on the District of Columbia.

1076. By Mr. SHREVE: Petitions protesting against the enactment of the Sunday observance bills (H. R. 7179 and H. R. 7822) from S. V. Anderson and others, North East, Pa.; Lewis Wilkinson and others, North East, Pa.; Orlo G. Butler and others, North East, Pa.; J. M. Howard and others, North East, Pa.; J. A. DeCastro and others, North East, Pa.; Mrs. L. G. Halloran and others, North East, Pa.; Grant Hills and others, Titusville, Pa.; to the Committee on the District of Columbia.

1077. Also, petitions protesting against the enactment of the Sunday observance bills (H. R. 7179 and H. R. 7822) from Mrs. R. E. Christoph and others, rural delivery, and Mrs. J. Reed Morse and others, Erie, Pa.; H. C. Prebble and others, Willis Walker and others, Ellis C. Brown and others, J. H. Humphrey and others, Corry, Pa.; to the Committee on the District of Columbia.

1078. Also, petitions protesting against the enactment of the Sunday observance bills (H. R. 7179 and H. R. 7822) from Erie, Pa.: Olive B. Tucker and others, Mrs. C. E. Badger and others, Anna Sonntag and others, M. L. Boucher and others, C. J. Menz and others, Mrs. Ethel L. Scott and others, Mrs. John Shorlock and others, Dr. Eva Sheriff and others, M. E. Thomas and others, Mrs. E. L. Mook and others, C. R. Ewing and others, H. A. Chichester and others, F. H. Leland and others, Jessie A. Patton and others, James Leach, jr., and others, J. J. Mechaney and others, Mrs. H. R. Droseski and others, Mrs. J. H. Colwell and others, Mrs. Elizabeth Herdman and others; to the Committee on the District of Columbia.

1079. By Mr. SWING: Petition of certain residents of Loma Linda, Calif., against House bills 7179 and 7822, for compulsory observance of Sunday; to the Committee on the District of Columbia.

1080. By Mr. TILSON: Petition of the Fish and Game Commission and sportsmen of the State of Connecticut, in opposition to the Stanfield bill (S. 2584) and approving of the Federal migratory bird act; to the Committee on Agriculture.

1081. Also, petition of Mrs. Louise Weichner and others, against compulsory Sunday observance; to the Committee on the District of Columbia.

1082. By Mr. WELLER: Petition from the National Guard Association of the State of New York, asking Congress to adequately provide funds for the purchase, forage, attendants, and maintenance of animals for the National Guard; to the Committee on Military Affairs.

1083. Also, petition of citizens of New York State, in opposition to the compulsory Sunday observance bills; to the Committee on the District of Columbia.

## SENATE

MONDAY, March 8, 1926

(Legislative day of Saturday, March 6, 1926)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haitigan, one of its clerks, announced that the House had passed a bill (H. R. 9795) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1927, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5043) granting the consent of Congress to the Midland & Atlantic Bridge Corporation, a corporation, to construct, maintain, and operate a bridge across the Big Sandy River between the city of Catlettsburg, Ky., and a point opposite in the city of Kenova, in the State of West Virginia; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DENISON, Mr. BURTNESS, and Mr. PARKS were appointed managers on the part of the House at the conference.

### ENROLLED BILL SIGNED

The message further announced that the Speaker of the House had affixed his signature to the enrolled bill (H. R.

7019) to provide four condemned 12-pounder bronze guns for the Grant Memorial Bridge at Point Pleasant, Ohio, and it was thereupon signed by the Vice President.

#### BOSTON SESQUICENTENNIAL EXPOSITION

The VICE PRESIDENT. In accordance with section 5 of the first deficiency act, approved March 3, 1926, the Chair appoints the Senator from Massachusetts [Mr. BUTLER] and the Senator from Delaware [Mr. BAYARD] as members on the part of the Senate of the United States to the Evacuation Day Sesquicentennial Commission, created by that act.

#### COST OF PRODUCTION OF DAIRY PRODUCTS

The VICE PRESIDENT laid before the Senate a communication from the secretary of the United States Tariff Commission, inclosing copy of an order adopted by the commission in connection with Senate Resolution 146 (submitted by Mr. LENROOT, and agreed to February 17, 1926), relative to an investigation under section 315 of the tariff act, 1922, with respect to costs of production of milk and cream, which, with the accompanying paper, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

UNITED STATES TARIFF COMMISSION,  
Washington, March 6, 1926.

Mr. EDWIN F. THAYER,

Secretary of the Senate, Washington, D. C.

DEAR SIR: In further reference to the resolution (S. Res. 146) of the Senate passed on February 17, 1926, there is inclosed herewith a copy of an order adopted by the United States Tariff Commission on March 4, 1926, instituting an investigation for the purposes of section 315 of the tariff act of 1922, with respect to costs of production of milk and cream.

Very truly yours,

JOHN F. BETHUNE, Secretary.

Public notice of investigations by the United States Tariff Commission under the provisions of section 315 of Title III of the tariff act of 1922

INVESTIGATION NO. 52 BY THE UNITED STATES TARIFF COMMISSION FOR THE PURPOSES OF SECTION 315 OF THE TARIFF ACT OF 1922

#### MILK AND CREAM

The United States Tariff Commission on this 4th day of March, 1926, for the purpose of assisting the President in the exercise of the powers vested in him by section 315 of Title III of the tariff act of 1922 and under the powers granted by law and pursuant to the rules and regulations of the commission, hereby orders an investigation of the differences in costs of production of, and of all other facts and conditions enumerated in said section with respect to, the articles described in paragraph 707 of Title I of said tariff act, namely: Milk, fresh; sour milk and buttermilk; and cream, being wholly or in part the growth or product of the United States, and of and with respect to like or similar articles wholly or in part the growth of product of competing foreign countries.

Ordered further, That a preliminary hearing in said investigation be held at the offices of the United States Tariff Commission, in Washington, D. C., at 10 o'clock a. m. on the 25th day of March, 1926, at which time and place all parties interested will be given opportunity to be present, to produce evidence, and to be heard with respect to the articles proper to be included within the scope of this investigation, the methods to be employed in ascertaining costs of production, the country or countries of principal competition, the advantages or disadvantages, if any, in competition enjoyed by the respective countries, the methods of ascertaining the costs of transportation, and other matters pertinent to the said investigation.

Ordered further, That all parties interested shall be given opportunity to be present, to produce evidence, and to be heard at a further public hearing in said investigation to be held at the office of the commission in Washington, D. C., or at such other place or places as the commission may designate on a date hereafter to be fixed, of which said public hearing prior public notice shall be given by publication once each week for two successive weeks in Treasury Decisions, published by the Department of the Treasury, and in Commerce Reports, published by the Department of Commerce, copies of which said publications are obtainable from the Superintendent of Documents of the Government Printing Office in Washington, D. C.

And ordered further, That public notice of said investigation shall be given by posting a copy of this order for 30 days at the principal office of the commission in the city of Washington, D. C., and at the office of the commission at the port of New York, and by publishing a copy of this order once a week for two successive weeks in said Treasury Decisions and in said Commerce Reports.

I certify that the foregoing is a true copy of an order of the United States Tariff Commission passed on the 4th day of March, 1926.

JOHN F. BETHUNE, Secretary.

#### CALL OF THE ROLL

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	La Follette	Sackett
Bayard	Fess	Lenroot	Sheppard
Bingham	Fletcher	McLean	Shipstead
Blaise	Frazier	McMaster	Shortridge
Borah	George	McNary	Simmons
Bratton	Glass	Mayfield	Smith
Brookhart	Goff	Means	Smoot
Broussard	Gooding	Metcalf	Stanfield
Butler	Greene	Neely	Stephens
Cameron	Hale	Norbeck	Swanson
Capper	Harrell	Norris	Trammell
Caraway	Harris	Nye	Tyson
Copeland	Harrison	Oddie	Wadsworth
Couzens	Heflin	Overman	Walsh
Cummins	Howell	Pepper	Warren
Dale	Johnson	Phipps	Watson
Dill	Jones, N. Mex.	Pine	Weller
Edge	Jones, Wash.	Pittman	Wheeler
Edwards	Kendrick	Robinson, Ark.	Williams
Ernst	King	Robinson, Ind.	Willis

Mr. JONES of Washington. I was requested to announce that the Senator from Illinois [Mr. DENEEN] is detained on business of the Senate.

The VICE PRESIDENT. Eighty Senators having answered to their names, a quorum is present.

#### PETITIONS AND MEMORIALS

Mr. LA FOLLETTE presented resolutions adopted by the common council of the city of Milwaukee, Wis., praying an amendment of the national prohibition act so as to enable the people of the country to obtain wine and beer, which were referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Federated Trades Council of Milwaukee, Wis., praying for the restoration of the rights of citizenship to Eugene V. Debs, which were referred to the Committee on the Judiciary.

Mr. SHORTRIDGE presented memorials numerous signed by citizens of Anaheim, Brawley, Calexico, Colton, Corona, El Centro, Fullerton, Imperial, Los Angeles, Ontario, Orange, Pomona, Redlands, Riverside, Santa Ana, San Bernardino, and San Francisco, all in the State of California, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, or any other legislation of a religious nature, which were referred to the Committee on the District of Columbia.

Mr. KENDRICK. I present a telegram from Worland, Wyo., having reference to a petition by 300 citizens of Washakie County, Wyo., which was presented to the Senate some days ago. The telegram is sent, as was the petition, by friends of prohibition, and protests against any modification of the prohibition law. I ask that it be read and properly referred.

There being no objection, the telegram was referred to the Committee on the Judiciary, and it was read, as follows:

[Western Union Telegram]

WORLAND, WYO., March 7, 1926.

Senator JOHN B. KENDRICK,

Washington, D. C.:

Please include and incorporate the following as part of petition by 300 citizens of Washakie County sent you February 9 by myself. We as representative citizens and taxpayers of the State of Wyoming do hereby place ourselves on record as a denial of the statement made by the association against the prohibition amendment that the petition sent to Senators WARREN and KENDRICK containing a list of 1,600 names was an expression of the people of this State for modification of the Volstead Act for the manufacture and sale of wine and beer. We are opposed to the modification of the Volstead law, and as citizens of Wyoming, representing the churches and dry forces, do hereby protest against any modification or weakening in any way of legislation supporting the eighteenth amendment to the Constitution of the United States of America.

Rev. W. W. SPEER.

#### REPORTS OF COMMITTEES

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 9341) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1927, and for other purposes, and I submit a report (No. 279) thereon. I give notice that I shall probably call up the bill for consideration to-morrow.

The VICE PRESIDENT. The bill will be placed on the calendar.

Mr. CAPPER, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2853) to authorize the transfer to the jurisdiction of the Commissioners of the District of Columbia of a certain



portion of the Anacostia Park for use as a tree nursery (Rept. No. 280);

A bill (S. 2981) to amend section 553 of the Code of Law for the District of Columbia (Rept. No. 281); and

A bill (H. R. 3334) to amend section 65 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto (Rept. No. 282).

Mr. HARRELD, from the Committee on the Judiciary, to which was referred the bill (S. 1962) to amend section 101 of the Judicial Code, as amended, reported it without amendment.

Mr. NORBECK, from the Committee on Pensions, to which was referred the bill (S. 3300) granting pensions and increase of pensions to certain soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition, to certain widows, minor children, and helpless children of such soldiers and sailors, and for other purposes, reported it with amendments and submitted a report (No. 285) thereon.

Mr. BINGHAM, from the Committee on Commerce, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

A bill (H. R. 7741) to construct a bridge across the Choctawhatchee River near Geneva, Geneva County, Ala., on State road No. 20 (Rept. No. 283);

A bill (H. R. 8514) granting the consent of Congress to Missouri State Highway Commission to construct a bridge across Black River (Rept. No. 284);

A bill (H. R. 6710) granting the consent of Congress to the State of Georgia and the counties of Long and Wayne, in said State, to construct a bridge across the Altamaha River, in the State of Georgia, at a point near Ledowici, Ga. (Rept. No. 286);

A bill (H. R. 8382) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Tombigbee River, near Aliceville, on the Gainesville-Aliceville road, in Pickens County, Ala. (Rept. No. 287);

A bill (H. R. 8386) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across Elk River, on the Athens-Florence road, between Lauderdale and Limestone Counties, Ala. (Rept. No. 288);

A bill (H. R. 8388) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Tennessee River near Scottsboro, on the Scottsboro-Fort Payne road, in Jackson County, Ala. (Rept. No. 289);

A bill (H. R. 8389) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Tennessee River, near Whitesburg Ferry, on Huntsville-Lacey Springs road, between Madison and Morgan Counties, Ala. (Rept. No. 290);

A bill (H. R. 8390) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Tombigbee River, near Jackson, on the Jackson-Mobile road, between Washington and Clarke Counties, Ala. (Rept. No. 291);

A bill (H. R. 8391) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Tombigbee River, on the Butler-Linden road, between the counties of Choctaw and Marengo, Ala. (Rept. No. 292);

A bill (H. R. 8511) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Tombigbee River, near Gainesville, on the Gainesville-Eutaw road, between Sumter and Green Counties, Ala. (Rept. No. 293);

A bill (H. R. 8521) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Coosa River, near Childersburg, on the Childersburg-Birmingham road, between Shelby and Talladega Counties, Ala. (Rept. No. 294);

A bill (H. R. 8522) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Coosa River, near Fayetteville, on the Columbia-Sylacauga road, between Shelby and Talladega Counties, Ala. (Rept. No. 295);

A bill (H. R. 8524) granting the consent of Congress to the highway department of the State of Alabama to reconstruct a bridge across Pea River, near Samson, on the Opp-Samson road, in Geneva County, Ala. (Rept. No. 296);

A bill (H. R. 8525) granting the consent of Congress to the highway department of the State of Alabama to reconstruct a bridge across Pea River, near Geneva, on the Geneva-Florida road, in Geneva County, Ala. (Rept. No. 297);

A bill (H. R. 8526) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Choctawhatchee River, on the Wicksburg-Daleville road, between Dale and Houston Counties, Ala. (Rept. No. 298);

A bill (H. R. 8527) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across Pea River, at Elba, Coffee County, Ala. (Rept. No. 299);

A bill (H. R. 8528) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Coosa River on the Clanton-Rockford road between Chilton and Coosa Counties, Ala. (Rept. No. 300);

A bill (H. R. 8536) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across Tennessee River near Guntersville on the Guntersville-Huntsville road in Marshall County, Ala. (Rept. No. 301);

A bill (H. R. 8537) granting the consent of Congress to the highway department of the State of Alabama to construct a bridge across the Coosa River near Pell City on the Pell City-Anniston road between St. Clair and Calhoun Counties, Ala. (Rept. No. 302);

A bill (H. R. 8909) granting the consent of Congress to the county of Barry, State of Missouri, to construct a bridge across the White River (Rept. No. 303); and

A bill (H. R. 8910) granting the consent of Congress to the county of Barry, State of Missouri, to construct a bridge across the White River (Rept. No. 304).

#### ENROLLED BILLS PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on March 4 that committee presented to the President of the United States enrolled bills of the following titles:

S. 1305. An act granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River;

S. 2784. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across Black River at or near Jonesville, La.; and

S. 2785. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Ouachita River at or near Harrisonburg, La.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIS:

A bill (S. 3454) granting an increase of pension to Laura A. Hinkle (with accompanying papers); to the Committee on Pensions.

By Mr. HARRELD:

A bill (S. 3455) granting a pension to William McKinster; to the Committee on Pensions.

A bill (S. 3456) for the relief of the Choctaw and Chickasaw Tribes of Indians of Oklahoma, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 3457) providing for the appointment of Paul J. Messer as second lieutenant of Infantry, United States Army; and

A bill (S. 3458) authorizing the appointment of William Noble as lieutenant colonel, Judge Advocate General, Reserve Corps, United States Army; to the Committee on Military Affairs.

By Mr. MEANS (by request):

A bill (S. 3459) for the relief of Neadham Henry Simpson; to the Committee on Naval Affairs.

A bill (S. 3460) incorporating the Veterans of Foreign Wars of the United States; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S. 3461) to reimburse Andrew O'Connor for expenses in connection with the placing of sculpture at the Peace Palace at The Hague; to the Committee on Appropriations.

By Mr. MAYFIELD:

A bill (S. 3462) for the relief of Homer H. Hacker; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 3463) to extend the time for the exchange of Government-owned lands for privately owned lands in the Territory of Hawaii; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 3464) authorizing certain officers of the United States Navy to accept from the Republic of Chile the order of Al Mérito; to the Committee on Foreign Relations.

By Mr. STEPHENS:

A bill (S. 3465) to make husband and wife competent to testify for or on behalf of each other in criminal proceedings in United States courts; to the Committee on the Judiciary.

By Mr. CUMMINS:

A bill (S. 3466) to amend section 4 of the interstate commerce act; to the Committee on Interstate Commerce.

By Mr. WELLER:

A joint resolution (S. J. Res. 66) authorizing the Federal Reserve Bank of Richmond to contract for and erect in the city of Baltimore, Md., a building for its Baltimore branch; to the Committee on Banking and Currency.

By Mr. JONES of Washington:

A joint resolution (S. J. Res. 67) for the amendment of the plant quarantine act of August 20, 1912, to allow the States to quarantine against the shipment therein or through of plants, plant products, and other articles found to be diseased or infested when not covered by a quarantine established by the Secretary of Agriculture; to the Committee on Agriculture and Forestry.

#### HOUSE BILL REFERRED

The bill (H. R. 9795) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1927, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### AMERICAN MANUFACTURERS IN FOREIGN COUNTRIES

Mr. DILL submitted the following resolution (S. Res. 163), which was ordered to lie on the table:

Whereas the alleged purpose of the protective tariff is to enable the beneficiary of the said tariff in the United States to charge the foreign price plus the tariff duty; and

Whereas the cost of production in foreign countries is assumed to be as much less as the cost of production in the United States as the tariff duty, and it is reported that American manufacturers are establishing branches of their plants in foreign countries in increasing numbers: Therefore be it

*Resolved*, That the Secretary of Commerce is requested to investigate and report to the Senate at the earliest convenient date the number of American manufacturing concerns that have established branches in foreign countries during the past five years, and the names of said manufacturing concerns, the nature and extent of such factories, the place of location, the amount of American capital invested in said branch factories, the value of the product produced in said factories during the past year, where said product was sold, the number of employees, and the average wage paid.

#### PRICES OF AGRICULTURAL MACHINERY AND IMPLEMENTS

Mr. SHEPPARD submitted the following resolution (S. Res. 164), which was ordered to lie on the table:

Whereas the Bureau of Foreign and Domestic Commerce reports that during the calendar year 1925 there were exported 20,366 sewing machines for domestic use, valued at \$510,969, an average price of \$25.09; 11,252 cream separators, valued at \$553,196, an average price of \$49.16; 241,064 horsepower plows, valued at \$7,636,627, an average price of \$31.64; 31,427 harvesters and binders, valued at \$5,340,845, an average price of \$171.24; 1,719 combined harvesters and threshers, valued at \$1,025,350, an average price of \$596.06; and 44,965 wheel tractors, valued at \$26,127,449, an average price of \$581.06, and that in 1925 the total value of agricultural machinery exported was \$77,936,911, and the total value of agricultural machinery and implements imported was only \$3,094,104, although they are duty free; and

Whereas the reported price abroad of much of this American agricultural machinery and many of these agricultural implements is less than the price to retailers here: Therefore be it

*Resolved*, That the United States Tariff Commission is hereby directed to investigate and to report to the Senate as promptly as possible:

The prices to retailers of sewing machines, cream separators, horse and power plows, harvesters and binders, combined harvesters and threshers, wheel tractors, and all other agricultural machinery and implements of which over \$1,000,000 worth were exported in 1925—

(a) In the principal foreign countries to which exported;

(b) In the United States;

and approximately the difference in the transportation charges on each of these manufactures within the United States and to foreign countries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed

to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1129) authorizing the use for permanent construction at military posts of the proceeds from the sale of surplus War Department real property and authorizing the sale of certain military reservations, and for other purposes.

#### BIG SANDY RIVER BRIDGE, KENTUCKY—WEST VIRGINIA

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5043) granting the consent of Congress to the Midland & Atlantic Bridge Corporation, a corporation, to construct, maintain, and operate a bridge across the Big Sandy River between the city of Catlettsburg, Ky., and a point opposite in the city of Kenova, in the State of West Virginia, asking for a conference with the Senate on the disagreeing votes of the two Houses thereon, and appointing conferees on the part of the House.

Mr. BINGHAM. Mr. President, I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. JONES of Washington, Mr. COUZENS, Mr. BINGHAM, Mr. FLETCHER, and Mr. SHEPPARD were appointed conferees on the part of the Senate.

#### AGGRANDIZEMENT OF FEDERAL POWER

Mr. BINGHAM. Mr. President, I ask unanimous consent to have inserted in the RECORD a very able article by the senior Senator from New York [Mr. WADSWORTH], printed in Nation's Business for March, 1926. I call particular attention to the last four paragraphs, in which the Senator from New York refers to the growth of Federal power and says:

For if we continue this centralization of power and this assumption of governmental functions, we shall most certainly smother the ability of our people to govern themselves in the several States and in their home communities.

Too often we are tempted to hand over to the Federal Government the doing of those things which can be done perfectly well by the States and their subdivisions, because for the moment it seems the easiest way to relieve ourselves of the burden of local responsibility and the duty of living up to it.

Our comparative success in governing ourselves for the past 150 years has rested most of all upon the initiative and enterprise of our people in meeting and solving governmental problems as they arise.

If we continue to take power away from the people and to transfer it to Washington we shall destroy those qualities, our local governments will dwindle to the vanishing point, and we shall find the average man becoming a servant of the Government instead of its master. Let us remember that our country is a Federal Union of States and not an empire. Realizing as we must the dangers of a bureaucracy, irresponsible and remote from our view, let us pause and survey our situation before we yield to its inducements.

The VICE PRESIDENT. Without objection, the article will be printed in the RECORD.

The article referred to is as follows:

[From the Nation's Business, March, 1926]

#### LET'S STOP THIS "50-50" BUSINESS

By JAMES W. WADSWORTH, Senator from New York

The "50-50" system of Federal aid to the States, in its modern lavish form, had its inception in 1914. Its beginning was modest enough. In that year Congress enacted the Smith-Lever law, which has for its purpose the promotion of cooperative agricultural extension work.

The appropriation carried in the bill for the first year of its operation was \$480,000, to be divided equally among the 48 States on condition that their legislatures appropriate an equal amount for carrying on the work of educating their citizens in agriculture and home economics.

The next step was the Federal good roads bill of 1916, for which the first year's appropriation was \$5,000,000. From these lowly origins the growth of the subsidy system has been nothing short of astonishing. It has been like the proverbial snowball rolling downhill. Its popularity, particularly among western and southern Members of Congress, has been immense.

#### TIME HAS COME TO TAKE STOCK

Its ramifications have taken many different directions from road building to teaching mothers how to care for their infants. To-day its inroads on the Federal Treasury have reached the enormous total of \$110,000,000 annually, which, of course, requires substantially an equal outlay from the States, so that the total cost of the system to the tax-paying public is well over \$200,000,000 a year.

The time has come, in my opinion, to take stock and to get a clear understanding as to where we are headed. I do not contend that the subsidy system is wrong in every detail or that it ought to be abolished entirely. There may be some functions performed under it which can



be done better by the Federal Government than the States. But I do believe that it could and should be radically curbed both in the interest of economy and sound policy and that steps should be taken to place a check upon its growth before it undermines our whole system of dual sovereignty of the State and Nation.

I hear now of a movement to get \$100,000,000 annually from the Federal Government for the purpose of promoting education in the various States on the "50-50" plan. A certain organization is placarding the Nation with a slogan to stimulate a campaign for the construction and maintenance of 250,000 miles of good roads "by the Federal Government."

One of my colleagues says he would like to see the Federal appropriation for good roads doubled, making it about \$160,000,000 annually, so that the National Government would then relieve the States entirely of the payment of their 50 per cent of the roads expenditures.

A decent regard for the capacity of the Federal Treasury and of the principle of local self-government, if it is not to become wholly obsolete, requires that we learn soon where the extension of this expensive form of Federal encroachment on State responsibility may be expected to end. During the last session I tried to get the Senate to approve an amendment calling for a statement of the ends sought in the Federal good-roads program.

The amendment directed the Secretary of Agriculture to have prepared, in cooperation with the appropriate State authorities, a map or plan of outlining the system of post roads which, in his judgment, should be improved under the Federal aid system and to submit that map or plan to Congress, together with estimates as to the cost and the period of time necessary for the completion of the work.

#### WE OUGHT TO HAVE SOME PLAN

I contended, and still contend, that Congress is entitled to know what is contemplated for the future, how much it will cost, and how long it will take. If we are to go on expending \$80,000,000 or \$90,000,000, or even more, a year we ought to have some plan on which to build, and that plan ought to be before Congress, so that we will know not only where we start but where we are going.

Strangely enough, that amendment was voted down. It was opposed on the ground that it might be construed in some way as calling a halt on future appropriations. The ardent advocates of the subsidy system apparently didn't want to know where we are headed.

There are five main forms of Federal subsidies: Highway construction (act of July 11, 1916); agricultural extension (Smith-Lever Act of May 8, 1914); vocational education (act of Feb. 23, 1917); vocational rehabilitation (act of June 3, 1920); and maternity and infant hygiene (act of Nov. 23, 1921).

During the fiscal year 1924 (the last one for which completed figures are available) the Department of Agriculture, by authority of Congress, of course, disbursed \$98,790,595.19 in various forms of subsidies. The disbursements for road construction were approximately \$90,000,000. Expenditures for vocational education were \$5,412,143.40; for agricultural extension, \$5,820,816.89; and promotion of welfare and hygiene of maternity and industry, \$720,694.79.

These disbursements, with numerous smaller doles, brought the total for the year up to \$110,377,443.68. No less than \$80,000,000 is needed to carry out the highway-construction plans for next year, and still another \$116,700,000 will be required to discharge additional obligations already incurred under the same head.

#### THE WAY SOME STATES PAY

An interesting feature of the system is the manner in which some States are called upon to pay the great proportion of this outlay, from which they receive only a minute share in return. A few instances will serve to illustrate the point.

The State of Nevada pays into the Federal Treasury \$760,000 annually and receives in subsidies \$1,845,945, or 262 per cent of the amount it contributed to the maintenance of the Federal Government. North Dakota pays in \$1,282,838 and takes out \$1,487,859. South Dakota pays \$1,951,248 and gets in return \$2,094,133.

Contrast this with the case of Pennsylvania, which pays in \$269,000,000 to the Federal Treasury and receives in return \$1,839,000, or about seven-tenths of 1 per cent.

New Jersey pays in \$112,000,000 and takes out \$652,000, or fifty-eight one-hundredths of 1 per cent. Connecticut fares still worse. It pays in \$37,000,000 and gets back \$201,000, or fifty-four one-hundredths of 1 per cent.

The representatives of the Western States have a ready answer for this. They say that the Federal Government holds vast areas in the public domain within their borders, and hence it is only fair that the National Government should contribute a large share to the improvements and expenses in those States. But there is an answer to that. Under the Federal forest fund act of 1907, 25 per cent of the gross revenues from timber sales, livestock privileges, and other uses of the forest reserves go back to the States within which the reserves are located for school and roads and 10 per cent for forest trails and roads.

In addition to this the mineral leasing act of 1920 provides for the payment of 37½ per cent of bonus and royalties on those reserves. Under these two acts refunds to the States are more than \$16,000,000,

of which 11 Western States get \$14,000,000, leaving less than \$2,000,000 to be divided among the other 37 States. Some of the States get absolutely nothing.

Wyoming gets \$5,143,434, an amount equal to 246 per cent of the amount of Federal taxes it pays into the Treasury. When the subsidies are added to this amount Wyoming receives from the Federal Government \$6,491,285. Its contribution to Federal taxes is \$2,088,353. The amount of the subsidies and refunds therefore is equal to 310 per cent of the State's contribution to the National Government.

On the other hand, take the case of the State of New York. Its share of the Federal tax burden is \$690,415,425, and it receives in return \$4,474,294. I am not objecting because New York does not receive more, but it seems to me that the time has come to lay a restraining hand upon the practice of wet-nursing some States at the expense of others.

But questionable as these features of the system are, the most dangerous phase of it, in my opinion, is its tendency toward the breaking down of the principle of local self-government and the creation of an all-powerful Federal bureaucracy.

The danger does not lie in the Federal aid system alone by any means. During the last 15 years the Federal Government has undertaken the exercise of a large number of new and important functions. A scanning of the list of congressional enactments during this period reveals something of the situation. For example, since President Roosevelt left the White House on March 4, 1909, we have established the Federal Trade Commission with inquisitorial powers over every business concern engaged in interstate commerce.

We have set up a Tariff Commission charged with the duty of investigating the costs of manufacturing at home and abroad and advising the President, and through him the Congress, as to the differences in those costs. We have created a Federal Farm Loan Board and given it authority to supervise the making of loans on farm lands all over the country.

We have established a United States Shipping Board with its Emergency Fleet Corporation and have put the Government into the commercial shipping business, with results known to all.

We have given important authority to the Secretary of Agriculture in connection with the operation of the grain exchanges. In this same period by constitutional amendment we have given the Federal Government the right to impose taxes upon all incomes from whatever source derived. And most important of all, through the adoption of the eighteenth amendment, we have given the Federal Government police power over every citizen to an extent never dreamed of by the founders of the Government.

This tremendous extension of Federal power, together with Federal aid development, has resulted in establishing at Washington, with branches all over the country, a vast governmental machinery so powerful, so complicated, that the average citizen is utterly unable to comprehend it. Certainly we should pause before we permit its further extension and enlargement, for if we continue this centralization of power and this assumption of governmental functions we shall most certainly smother the ability of our people to govern themselves in the several States and in their home communities.

Too often we are tempted to hand over to the Federal Government the doing of those things which can be done perfectly well by the States and their subdivisions, because for the moment it seems the easiest way to relieve ourselves of the burden of local responsibility and the duty of living up to it.

Our comparative success in governing ourselves for the past 150 years has rested most of all upon the initiative and enterprise of our people in meeting and solving governmental problems as they arise.

If we continue to take power away from the people and to transfer it to Washington, we shall destroy those qualities, our local governments will dwindle to the vanishing point, and we shall find the average man becoming a servant of the Government instead of its master. Let us remember that our country is a Federal Union of States, not an empire. Realizing, as we must, the dangers of a bureaucracy, irresponsible and remote from our view, let us pause and survey our situation before we yield to its inducements.

#### NEWS-LETTER OF ALL-AMERICAN COOPERATIVE COMMISSION

Mr. BROOKHART. Mr. President, I ask unanimous consent to have printed in the RECORD the news letter of the All-American Cooperative Commission issued March 1, 1926.

There being no objection, the news letter was ordered to be printed in the RECORD, as follows:

COOPERATIVE NEWS SERVICE (WEEKLY),  
Cleveland, Ohio, March 1, 1926.

#### PRESSMEN TAKE OVER BANK

Another mighty recruit to the long list of labor organizations interested in labor banking was enlisted recently when the International Printing Pressmen's Union announced the purchase of control in the Hawkins County Bank, of Rogersville, Tenn. Rogersville lies near the international headquarters of this powerful printing trades-union, and its bank is the logical depository for millions of the union's funds.

The International Printing Pressmen's Union also owns a large interest in the Federation Bank of New York City, the second largest labor bank in America.

President George L. Berry has requested members and locals of his union to deposit their funds in the Hawkins County Bank, which will soon rank as one of the leading institutions of Tennessee. The printing pressmen's bank is a novel departure in the history of labor banking, as nearly all such institutions are located in the larger centers of population, with a few in smaller railroad centers. The pressmen's bank is in the heart of a rich agricultural section.

#### PACKING COOPERATIVE BRINGS PROSPERITY

The Fergus (Minn.) Cooperative Packing Co. gladly yields page 1 in the newspapers to the billion-dollar Food Trust and the anticonglomerate plots of the Chicago packing plants. Instead it prefers to spread the benefits of cooperation among its former members, for cooperation by its very nature finds itself unable to plot against the public interest or to engineer criminal conspiracies to wring profits from the needs of the people.

The audit just completed of the packing cooperative's books shows a business of \$469,000 for the past year, with an additional \$52,000 for the retail store. Dividends will be announced later in the season, when assets will be in the form of cash rather than meats. Important capital additions will be made to the plant this year as an evidence of the prosperous condition of this big cooperative.

#### COOPERATION PART OF LABOR EDUCATION

That the extensive labor education movement sweeping the country can be translated into added effectiveness for cooperation is shown in the example of Esther Oberg, a graduate of Brookwood Labor College, of Katonah, N. Y. Miss Oberg, after two years of intensive training at Brookwood, during which she managed the labor college cooperative store, went to Battle Creek, Mich., to serve in the cooperative society's store there. Soon after she was elevated to the position of manager. Miss Oberg is also the editor of the Cooperative World, a monthly house organ, and contributes widely to the advancement of the Michigan labor movement through addresses and articles in the press.

Labor education, the All-American Cooperative Commission comments, must include training in the cooperative movement if it is to realize its full possibilities. Trade-unionism and cooperation represent the two arms of a single movement. Without one or the other labor's cause is permanently crippled.

#### COOPERATION RULES WORLD'S WHEAT

A parliament of wheat, representing the majority of the world's acreage in the greatest of the grains, met recently in St. Paul, Minn., to discuss the problems of international marketing. The tremendous strength of cooperation in this basic industry was testified by the presence of men from the leading wheat pools of three continents, every one of them cooperators and officials in the wheat-pool movement.

Among the States represented were Minnesota, Indiana, Kansas, Texas, North Dakota, Oklahoma, Nebraska, Alberta, West Australia, South Dakota, Saskatchewan, Russia, Manitoba, South Australia, New South Wales, Ukraine, and Victoria. In each of these United States, Canadian, Australian, and Russian States cooperative wheat pools are flourishing as major factors in determining the price of wheat.

Technical problems of marketing and international aspects of wheat production were discussed thoroughly in the three-day conference. The Western Producer, of Saskatoon, Saskatchewan, has published full reports of the technical aspects of the conference.

#### COOPERATIVE STORE REAL AMERICAN ROMANCE

Romance in America centers in the cash box, if we are to believe the scores of writers who have molded their novels around the poor but honest boy who toward the end of the book lords it over an army of servants as he dashes back and forth between Wall Street, Florida, and Europe. Cooperation, too, can furnish cash-box romances, although a finer spirit of service to all rather than selfish aggrandizement is the motive power behind its successes.

Turn over the thirteenth annual statement of the Soo Cooperative Mercantile Association, of Sault Ste. Marie, Mich. There you will find net sales of \$25,000 ten years ago as contrasted with \$551,000 during the last year. What private enterprise offers a better example of sudden growth or a more satisfying example of industrial progress? This half million business was done on a capital of \$34,000, thus pointing to a turnover that would be the pride of any present-day Babbitt. Fortunately, however, the returns on this handsome business did not go into the maintaining of country clubs for idlers or palaces for the wealthy, for another item in this co-op's statement shows \$126,000 returned to stockholders, customers, and employees since its organization 13 years ago.

The Soo Cooperative has a string of seven stores, two of which also handle meats, and one bakery goods. During the past year \$13,000 was spent on an addition to the main store.

E. E. Branch, secretary of the New Era Corporation, a cooperative insurance firm of Grand Rapids, Mich., told the stockholders at their annual meeting that American cooperation is writing the principles of the Constitution into industry. "Our Constitution," he declared, "established democracy in our Government. Cooperation will apply the same principles in trade and lay the foundations for economic democracy."

#### NATIONAL LEADERS ADVISE LABOR BANK

Gov. Albert Smith and Mayor J. J. Walker, of New York, head a group of 25 Federal, State, and city officials included in an advisory committee of more than 200 stockholders in the Federation Bank of New York, controlled by metropolitan trade unions, to assist in transforming the bank into a trust company. Other members of the committee are President William Green, of the American Federation of Labor; Mortimer L. Schiff, banker; Senator Royal S. Copeland; Thomas Meighan; John McCormack; Charles Chaplin; Adolph Zukor; Gerard Swope, of General Electric Co.; Charles D. Hilles; Franklin D. Roosevelt; Hugo Mayer, director of the Labor Bank of Germany; and Luis N. Morones, secretary of labor in Mexico.

The State department of banking has approved the bank's plan for adding trust functions. The Federation Bank & Trust Co., as it is to be known, will start with resources of \$17,000,000, according to President Peter J. Brady.

#### TWO FRANKLIN BOOKLETS

Two attractive booklets have been issued by the Franklin Cooperative Creamery Association, Minneapolis. These are entitled "Year Book 1924-25" and "A Trip Through the Franklin Plants." Both publications are well printed on highly calendered paper and profusely illustrated. The year book consists of 58 pages. It contains a history of the enterprise, detailed descriptions of the various properties of the association, the report of the officers and directors to the sixth annual meeting, cooperative financial statistics, and brief accounts of the various activities of the association other than the distribution of milk.

The booklet entitled "A Trip Through the Franklin Plants" is smaller than the year book. Its 38 pages are given over to views of the different plants and brief descriptions of the various features illustrated.

#### COOPERATION ATTRACTS COMMUNISTS

The New York district executive committee of the Workers (Communist) Party has ordered party members interested in cooperatives to form "factions" within them for the "building up of the cooperative movement in America."

#### MUSCLE SHOALS

The Senate resumed the consideration of House Concurrent Resolution 4, providing for a joint committee to conduct negotiations for leasing Muscle Shoals.

The VICE PRESIDENT. The pending question is on the amendment of the junior Senator from Arkansas [Mr. CARAWAY].

Mr. ASHURST. Mr. President, regarding the particular resolution under consideration, I ask that there may be read at the desk a letter from the Arizona corporation commissioner on the subject.

The VICE PRESIDENT. The clerk will read as requested. The Chief Clerk read the letter, as follows:

ARIZONA CORPORATION COMMISSION,  
Phoenix, March 8, 1926.

Hon. HENRY F. ASHURST,

United States Senate, Washington, D. C.

MY DEAR SENATOR: My attention has been directed to a bill recently introduced by Senator McKELLAR, of Tennessee (S. 3081), relating to the development and distribution of power at Muscle Shoals.

This bill, as you no doubt have already observed if you have had the time to review it, contains some very dangerous provisions. Perhaps the most startling feature, and the one most objectionable, is the proposal to further curtail State rights. In addition to that, it would place the power to prescribe rates in the hands of an alien commission, which might or might not be familiar with the territory in which the power would be distributed. This question I am sure you will agree should be left in the hands of State authorities, who would be thoroughly familiar with local conditions and who would know the needs of the communities and peoples to be served. Certainly no central power, no matter how competent or how sincere the desire to serve the public, could be in so favorable a position to determine these matters as would a local body.

I wish to register my distinct disapproval of this feature of the McKellar bill and to express the hope that you will lend your ability to



see that a proper amendment is proposed and passed to protect the interests of the people of Arizona, which, in my judgment, would be jeopardized by the passage of this bill in its present form.

With kind personal regards, I am,

Yours truly,

AMOS A. BETTS, *Commissioner.*

The VICE PRESIDENT. The junior Senator from South Carolina [Mr. BLEASE] is entitled to the floor.

Mr. HARRIS. Mr. President, will the Senator from South Carolina yield to me to enable me to make a short statement?

Mr. BLEASE. I yield to the Senator from Georgia.

Mr. HARRIS. Mr. President, I regret that in the heat of debate insinuations have been made as to the motives influencing Senators in the Muscle Shoals matter, and while I shall vote for this resolution, I do not think the debate has helped its passage. I had not expected to say anything further after my remarks of last week in favor of the amendment submitted by the junior Senator from Arkansas [Mr. CARAWAY], which provided for an equitable distribution of the surplus power not needed for fertilizers. While every Congressman from Georgia as well as myself widely differ with my own colleague, the junior Senator from Georgia [Mr. GEORGE], who opposed the Ford offer and is now opposing this resolution, I give to him and others differing with me credit for being just as honest as I am. I do not believe there is a Senator in the Chamber who is influenced to do anything but what he thinks is for the good of his country in voting upon the Muscle Shoals proposition.

I think my friend, the Senator from Alabama [Mr. HEFLIN], is making a mistake when he antagonizes other Senators who differ with us honestly in this matter.

Mr. HEFLIN. Mr. President, will the Senator yield to me right at that point?

Mr. HARRIS. After I shall have concluded my statement I shall be very glad to yield to the Senator. I want to remind the Senator from Alabama that last year we had a conference report before the Senate on the Muscle Shoals matter, and I believe it would have become the law, but the Senator from Nebraska [Mr. NORRIS], the chairman of the Agricultural Committee, did not allow us to have a vote on it. What I am afraid of now is that after the bid comes in under the pending resolution we will be unable to get a vote on it because of the early adjournment of Congress. Certainly we will be unable to do so if we continue antagonizing Senators who differ with us.

We have lost sight in the debate of what was responsible for the creation of the Muscle Shoals development. It was primarily for the purpose of national defense, and nitrates are absolutely necessary in manufacturing munitions. No one seems to have mentioned that in the discussion; however, they have dealt with the water-power development. While manufacturing nitrates at Muscle Shoals and having the plant operated at full capacity, so that in time of war we could get all we needed, it is necessary to do something with the plant at other times, so we provided that fertilizer should be manufactured in peace times and sold to farmers much cheaper than they are now paying.

Mr. President, have we forgotten that when we declared war on Germany the first thing Germany did was to notify Chile that if she let us have nitrates she would be held responsible? If Germany had had a navy that could have blocked the ports of Chile, the United States would have been greatly handicapped in conducting the war. The principal reason why the pending resolution is before us is because it is a matter of national defense. Suppose we were to have a war now with another country? We are the only country in the world that does not have a nitrate plant. We would be at the mercy of a foreign country. I think that during the war with Germany about 20 per cent of our ship tonnage was used in bringing nitrates to this country. We were absolutely dependent upon Chile. We want to prevent a recurrence of such a condition. If we had war with another country now, the first thing they would do would be to level their guns on the ports of Chile and prevent us getting nitrates. We would have no way of getting them unless we were prepared for their manufacture in our own country.

The State of Georgia spends between \$25,000,000 and \$30,000,000 a year for fertilizer. If the pending resolution should pass and result in reducing the price of fertilizer one-half, it would mean a saving to the farmers of my State of enough money in one year to pay the entire expense of running our State government, which includes several million dollars for Confederate pensions. There is nothing more important to our people than this legislation. We have been planting cotton on our lands for more than 100 years. Much of our land is

worn out, and it is absolutely necessary for us to use fertilizer in order to produce cotton and other products, and not only our entire country but the world is interested in obtaining cheap cotton. We can not produce it at the present low price unless we can get cheaper fertilizers.

England is taxing every bale of cotton manufactured, and the revenue raised is spent in encouraging the production of cotton in her colonies. Other countries are doing everything they can to encourage the production of cotton, and the South must compete with pauper labor of the world. Do not forget, Senators, that the southern cotton planter's crop sold in foreign countries is largely responsible for the large gold reserve in this country. Opposition to the pending resolution because a committee of Congress has been selected to secure bids and make recommendations to the Congress as to which is the best bid does not have weight with me, and I do not think it will satisfy the people of my State and the South. They want action. They are tired of speeches on Muscle Shoals. They are now and have been several years in a terrible condition financially, and the development of this project would greatly help them.

In my opinion a committee of Congress to settle this matter is far better than lawyers and employees in the departments. Senators and Representatives in Congress are responsible to the people they represent. Now, in answer to the argument against a committee from Congress because Senators and Representatives would be unduly influenced by their colleagues' recommendations, let me refer to the action recently taken in the House of Representatives where a distinguished Congressman from my State, Judge CHARLES CRISP, was one of the commissioners named for the settlement of the Italian debt matter and was honored by the committee by his selection to present their recommendation to the House. He recommended certain concessions to the Italian Government in the settlement of their debt to our country. There is no man in the House who is more beloved by his colleagues than is Judge CRISP, and especially by his own colleagues from the State of Georgia. Of the 11 Congressmen representing that State, only 1 voted in favor of the recommendations he submitted and advocated.

The other 10 voted against Judge CRISP's view of that matter, and the same situation will develop as to this proposed legislation. There is no Senator here who is going to be influenced in his vote by the recommendation of the committee. They are going to study the bids and be influenced by what they think of the best bid that comes before us.

Members of the Agricultural Committee of the Senate and the Committee on Military Affairs of the House of Representatives have made a special study of this matter for years and will know better how to get a satisfactory bid than will the men in any of the Government departments. From my State 10 of the 12 unusually able and conscientious Members of the House are lawyers; 9 of them and my colleague have been on the bench and served with distinction. They are so interested in this matter that they will be careful to see that our farmers who are interested in getting cheaper fertilizers and the Government's nitrates for national defense will be protected in whatever bids are considered. There are able lawyers in this body than there are in the Department of Justice, and I think Congress can settle this question better than any other Government agency.

We have heard a great deal of complaint of Presidents usurping the power of Congress, but this is the first time I have heard criticism of Congress having its own committee instead of delegating to the President the handling of this matter which is of vital concern to the farmers and all our people of the South, as well as the entire country. I believe that 90 per cent of the people of my State favored the Ford offer; I believe that 99 per cent of the farmers of Georgia favored that offer.

In both my campaigns for the Senate, Mr. President, if you will pardon a personal reference, my opponent, former Senator Hardwick—who filled the unexpired term of the late Senator Bacon—opposed legislation which would permit the Government in times of peace to use Muscle Shoals for the manufacture of fertilizers to be sold to the farmers at cost. In both campaigns I made that an important issue, and I am certain that Mr. Hardwick lost many votes because of his attitude. In his last race against me he was overwhelmingly defeated—he carried less than 10 per cent of the counties of the State.

Mr. President, I favor the Smith substitute for the pending resolution, which is similar to measures I have favored heretofore, when the bill of the Senator from Nebraska [Mr. NORRIS] with amendments was under consideration, during the last session of Congress. I believe that the Government ought to experiment for a few years with the Muscle Shoals plant and



find out what can be done with this plant, just how much nitrates and fertilizers can be manufactured, and after ascertaining the cheapest way to manufacture fertilizers to supply all our farmers, make a lease of the plant to private parties, with guaranty that they shall not charge farmers more than a small profit.

The Government can not manufacture anything as cheaply as can individuals and corporations, and farmers should get fertilizers at the lowest possible cost.

We hear complaint about permitting a part of this power at Muscle Shoals to be used for the manufacture of fertilizer; that we shall lose money by it, and that it will be a subsidy for the farmer. That does not come with very good grace, Mr. President, from Senators who voted for the Esch-Cummins bill, which practically guarantees the railroads dividends on all their property; and Senators who voted for the high tariff duties of the Fordney-McCumber bill, which taxes the people of this country billions annually and increases the cost of living so much as to make it difficult for many to meet the necessities of life. Why should we not, if necessary, give the farmers all the water power at Muscle Shoals, if it will assist them in the raising of crops and save them from losing their farms? Many of them have already lost their farms within the last few years.

Opposing this resolution and delaying this matter is just exactly what the Water Power Trust wants. They have the only transmission line, and the Government is dependent upon the Power Trust for the sale of the power until we shall build our own transmission lines connecting with cities needing power or else make a disposition of Muscle Shoals some other way. It is to the interest of the Water Power Trust for this proposed legislation to be defeated or delayed. They can not influence anyone in this body to vote against this resolution, but they would make millions of dollars if Congress defeats it and does nothing toward leasing this plant or developing it ourselves. For that reason, the Power Trust is more interested in delaying the legislation than is anyone else.

When I speak of the Water Power Trust Corporation I speak of it with no feeling against them. Many of those connected with it are personal friends of mine and good men. They are interested in making dividends for their stockholders. The newspapers lately, however, have shown a combination of the Alabama Power Co. and the Georgia Railway Power Co., which practically have a monopoly of the water power in Georgia and Alabama; and other power companies have combined. The Water Power Trust is one of the greatest trusts in the United States.

When the Ford measure was before the Senate there was no Senator here who did not get letters from the Fertilizer Trust protesting against the acceptance of the Ford offer. I placed these letters in the RECORD. The Water Power Trust also had its lobby here opposing the Ford offer. Congress and the Republican administration were going to scrap all the millions which had been spent at Muscle Shoals; and everyone knows that if it had not been for Ford's offer of a few million dollars for the plant and guaranteeing to make cheaper fertilizers for the farmers and nitrates for munitions the Republican administration would have abandoned Muscle Shoals. We are indebted to Ford for preventing the destruction of this nitrate plant, which would have destroyed the hope of the cotton farmers to get cheaper fertilizers and not be at the mercy of the Fertilizer Trust. All the Representatives from my State and almost every Member of Congress in the House or Senate from the South favored the Ford offer; in fact, I never heard a public man in my State utter a word against the Ford proposition so long as it was before Congress.

The Fertilizer Trust and the Power Trust both opposed the Ford offer. They knew that he would go down there and use that power to bring about competition in all manufacturing and cheapen the price production of fertilizer. They knew they could not compete with Ford's method of manufacturing fertilizer. If the Power Trust shall acquire all power at Muscle Shoals, instead of giving us competition, as Ford would have done, and helping to reduce the price of power and fertilizer, the United States Government, by leasing to the Water Power Trust, will be helping to perpetuate a monopoly. That is one reason why I shall support the Smith substitute. I want to be sure that the Water Power Trust does not control it.

Representative SNELL, of New York, the chairman of the Rules Committee and the author of the resolution before us, when this matter was before the House of Representatives stated that if we could not get a satisfactory bid he would support some measure, such as the Norris bill or the Smith substitute, which would allow the Government to experiment with the plant in making nitrates and cheaper fertilizers.

I shall vote for the Smith substitute for the Government to first make experiments for a few years in manufacturing fertilizers. I shall also vote for the Caraway amendment to distribute surplus power not needed for manufacture of nitrates and fertilizers. I can not understand how the Senator from Alabama can stand up and argue against the Caraway amendment. Muscle Shoals belongs to the Federal Government and not to the State of Alabama any more than to Georgia or other States. If the Smith substitute is voted down, I shall vote for the House resolution, with the hope that a satisfactory bid may be made that will insure cheap fertilizers to the farmers and nitrates to our Government. If no bid meets with our approval Congress will, I believe, adopt the suggestion, which I also favor, of Representative SNELL, chairman of the Rules Committee of the House and author of the resolution before us, providing for the Government's immediate operation of the plant to experiment a few years in making nitrates and fertilizers. Unless action of some kind is taken now it means another two years' delay, as the appropriation bills will take up most of the time of the short session of Congress, and it will not be possible to pass this legislation until the long session the following year.

Of course, that is exactly what the Fertilizer and Power Trusts are hoping we shall do; it will enable them to get several million dollars' worth of power at a small cost, and fertilizers will not be cheaper. I can not understand how Senators can vote to delay this matter when farmers are in such financial distress and have been for years. Anything that helps the farmer helps all business. If there ever was a time when the farmers of my section needed help, it is now; they would prefer a half loaf to a whole loaf later on; but I can see no reason why we should not, by adopting this resolution at this time, give them a whole loaf. We shall certainly close the door of hope of any assistance if we vote down this resolution. However, I put the Senator from Alabama on notice that I will not vote for any bid the committee reports that discriminates against my State.

Mr. SMITH. Mr. President, I should like to take a few minutes, if my colleague will allow me, to read into the RECORD some statements made by the National Grange in convention assembled at Atlantic City in 1924. This is official and has direct reference to the very subject now before us.

Without reading the caption of the article, I want to read a quotation from ex-President Roosevelt which was incorporated in this report by the grangers at the meeting referred to, touching the identical subject.

They say—that is, the grangers in convention assembled—

We believe we have arrived at the time predicted by Theodore Roosevelt when he said:

"The people of our country are threatened by a monopoly far more powerful, because in far closer touch with our domestic and industrial life, than anything known in our experience. A single generation will see the exhaustion of our natural resources of oil and gas and such a rise in the price of coal as will make the price of electrically transmitted water power a controlling factor in transportation, in manufacturing, and in household lighting and heating. Our water power alone, if fully developed and wisely used, is probably sufficient for our present transportation, industrial, municipal, and domestic needs. Most of it is undeveloped and still in National or State control. To give away this, one of the greatest of our resources, without compensation would be an act of folly. If we are guilty of it, our children will be forced to pay an annual return upon a capitalization based upon the highest prices which the 'traffic will bear.' They will find themselves face to face with the powerful interests entrenched behind the doctrines of 'vested rights,' and strengthened by every defense which money can buy and the ingenuity of able corporation lawyers can devise."

This is an expression of ex-President Roosevelt about the development of our water power and the duty of the Congress in relation thereto. Now I want to call attention to what the grange—perhaps the oldest farm organization in existence in America to-day—had to say about Muscle Shoals; and this report was adopted:

Regarding the Muscle Shoals project, in which the Government has already invested something over \$100,000,000 of the people's money, we believe—

The Government should make the necessary expenditure to finish the plant and operate it for the benefit of all the people in the production of fertilizers and electricity. If this course is found to be impractical, we then recommend—

That Muscle Shoals be leased on the best terms obtainable, with the provision that fertilizers manufactured be distributed for agricultural purposes at cost. Any such lease should comply in every particular with the Federal water power act.



Mr. HEFLIN. Mr. President, will the Senator yield right there?

Mr. SMITH. Just one minute, Mr. President, this resolution was submitted to the grange and adopted. It also adopted the resolution in which the expression from ex-President Roosevelt was contained.

Now, Mr. President—

Mr. HEFLIN. Before the Senator gets away from that, I should like to have him yield a moment.

Mr. SMITH. I yield.

Mr. HEFLIN. I hold in my hand a letter from the representative of the National Grange here in Washington, urging that this particular concurrent resolution be passed without amendment.

Mr. SMITH. Mr. President, I do not know what is the attitude of any individual here in Washington. I simply have read into the RECORD what was said by the grange in convention. Since the Senator has raised that point, let me say that it is not so much a question of what this official says or that official says; it is a question of what this body believes is its duty in the premises; whether, with this power developed and the machinery installed, ready to carry out the solemn mandate of a statute that is now on the books for the benefit of agriculture, having expended this amount of money for that definite and specific purpose, we are now to turn it over to a private corporation under a lease under the implied terms of which not only may the product be sold at whatever the company may deem is its cost, but we commit ourselves to 8 per cent profit. It is the old, iniquitous, indefensible cost-plus contract that swamped this country in its attempt to meet the exigencies of the war. The billions of indebtedness piled up on us now come from that iniquitous principle of cost plus.

Mr. President, I had intended and may yet decide to introduce at this time my resolution turning this matter over to the farmers in toto through the Agricultural Department, creating a corporation under the auspices of that department for the benefit of the farmers alone, and, if there is any surplus power, letting them sell it, take whatever profits accrue from that and invest them in cheapening the process of getting this ingredient during times of peace for the farmer. The bill that I introduced is practically the resolution that I intended to introduce; and the principle involved in that is that we shall turn over this matter to the Agricultural Department, and empower it to create a corporation like the Shipping Board or the Waterways Corporation, and run this plant solely and alone for the benefit of agriculture during times of peace, and certainly for the production of nitrates for the Army during time of war.

We have dedicated this plant since 1916 for this distinct, definite purpose. We, through our agency in the Agricultural Department, have outstripped the world in developing processes for fixing nitrogen and concentrating fertilizer. We have the plant equipped and the machinery installed. Why should we lease it to anybody, any more than we should lease our facilities for making investigations into the diseases that affect plant and animal life?

Mr. President, I am not going to take up any more time right now, because I do not want to infringe on the time of my colleague; but I desire to impress the Senate with the fact that wherever this proposition is known in its purpose and its possibilities there is not a single farm organization that I know of, there is not a real, good common-sense farmer but that understands that his only hope for relief from the intolerable burden imposed upon him now by the fertilizer manufacturers of this country is the hope held out by this project and by this expenditure of money by the Government, through the perfection of the plan of fixing nitrogen and combining it with potash and phosphoric acid, and making for him that for which he must now pay practically all the profits that accrue to him from farming.

Mr. SIMMONS. Mr. President, before the Senator takes his seat I desire to say that some question has been raised, both in this discussion and in the discussion of this subject before the Senate at the last session, with reference to the possibility of manufacturing nitrogen from the air at a cost that would enable the producer to sell the product to the farmer at less than he is now paying. I have not myself had any doubts about that. I have believed, and I still believe, that with proper economy and efficiency nitrogen can be made from the air at much less than we now have to pay for it; but, as I understand the proposition of the Senator from South Carolina as embodied in his proposed substitute, he thinks that the Government should not dispose of this property at Muscle Shoals, either for power or for any other purpose, until the Government itself has experimented with different processes for the purpose and with the intent of ascertaining whether this product can be made at a reasonable price and in sufficient

quantities. Until that question is determined the Senator thinks the Government should not dispose of this property, for the reason that until that question is determined we do not know what this property is worth. I understand that that is the effect of the Senator's substitute.

Mr. SMITH. Yes; Mr. President. I should like to call the Senator's attention to the fact that since 1916, when the present law was enacted, there has been such a radical change in the process that scientists have reduced the cost, as expressed in the units of power, from 60,000 horsepower down to 4,000 horsepower to produce a given unit of fixed nitrogen.

They started with the arc process. They then took the cyanamide process and have modified now what was known as the Haber process to a point where synthetic nitrogen is produced. The process has been reduced in power requirements to the point where they are as 4 to 60 as against the arc process and 4 to 30-odd in the case of the cyanamide process; and I have samples, which I showed to the Senate the other day, showing the rapid progress that has been made in the art of fixing nitrogen in the form in which the farmer needs it.

Cyanamide now is not in the form in which the farmer can use it; nitric acid certainly is not in the form in which the farmer can use it; but in the form of what is called urea, or phospho-ammonia, they have it in the experimental stage in the form where the farmer can use it just as you and I use nitrate of soda.

Is it not the part of breaking faith, to say nothing of folly, for us, right at the time when we have the power developed ready to go on with the experimentation, ready to determine the last word in the production of this necessary ingredient, to turn it over to a private corporation, for this reason: The dead work, as the inventors call it, is the pioneering in any art. Who is going to pioneer for the benefit of the farmer? You know and I know that if we lease this property to a private corporation and they discover a new process of fixing nitrogen, they will patent it at once and put up the price to as high a point as the traffic will bear. Roosevelt said that, as quoted by the grange in this resolution. If, however, the Government holds the property and discovers processes that do this thing, then it means that the farmers, through their own agents, will be the direct beneficiaries of the improvements of the process.

We put our hands to this plow for a specific, definite purpose, which was to develop the art and make it contribute to the welfare of agriculture. Now, after we have spent more than \$150,000,000 in carrying out the mandates of the previous Congresses, when we have the machinery all set up, ready to go to work, we are asked to withdraw our hand and turn over the whole business to a private concern for their exploitation upon the cost-plus plan.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

Mr. SMITH. I yield.

Mr. OVERMAN. We have appropriated this year \$225,000 for the research laboratory here in Washington to make experiments in regard to the production of nitrogen. If we lease the plant at Muscle Shoals and this laboratory discovers a cheap way of making nitrogen, the results of their investigation will go to the private corporation, whereas if the Government runs the plant, the discoveries will go to the Government to be used for the benefit of the farmers.

Mr. SMITH. Mr. President, I thank the Senator for that suggestion. We have appropriated \$225,000 to carry on our research laboratory work, to discover processes by which we may get nitrogen in the form in which we want it, both quantitative and qualitative. Now, it is proposed that we take the very machinery we set up for the benefit of the farmer and say to our research laboratory, "Any new discovery you make, any development you perfect, you are to turn over to this private corporation and let them benefit the farmer at cost plus." I am certainly obliged to the Senator from North Carolina for calling my attention to that.

Mr. SIMMONS. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from North Carolina?

Mr. SMITH. I yield.

Mr. SIMMONS. I recall very distinctly that when this matter was before us on a previous occasion the suggestion was constantly made, in connection with the adequacy of the price that the uncertainty of being able to produce this article at a reasonable price, the possibility of great losses in experimenting in trying to produce it economically and in sufficient quantity was so great that we ought to make allowances for that in fixing the price; that it was an element, and a very important element, which entered into the transaction, so far as the consideration to be paid by private individuals was concerned.

It was also very vigorously contended on this floor by many of us, by the Senator from Nebraska, by myself, and by a number of others, that the proposition then before us was a proposition that concerned itself chiefly with the development of power; that it was not, except incidentally, a nitrogen proposition; that if we leased the plant to this private company upon the terms then proposed, they would experiment, and if they found they could not produce nitrogen at as low a cost as the figure at which we can now buy it, of course, under the terms of the lease, they would not be required to produce it at all. In other words, we were dealing with a proposition which might eventuate, after certain experiments and failures, in a pure and simple power proposition. The Senator remembers that?

Mr. SMITH. Yes; I do. That was the burden of the whole argument.

Mr. SIMMONS. As I understand it, now we are dealing with a private corporation. They are to produce nitrogen and manufacture fertilizer for the farmer, the cost of producing nitrogen being an essential element in the cost of fertilizers. They are to sell the fertilizer to the farmer at actual cost, plus 8 per cent. If the actual cost shall be so great that after adding 8 per cent the farmer could not buy it, it would be unavailable to him. He would prefer to get his supply from Chile, or from somewhere else, because he could get it cheaper.

If the purchaser under this resolution is buying this property primarily for power, if they were so disposed, would it not be within their power to raise the cost of production to such a point that plus the 8 per cent the product would be no longer available to the farmer, thus losing to him the opportunity of having his fertilizer made in the United States and resulting in practically turning this great plant over to a power company?

Mr. HEFLIN. Mr. President, will the Senator yield right there?

Mr. SIMMONS. I ask the Senator if that might not be the result?

Mr. SMITH. If my colleague will allow me—

Mr. HEFLIN. Will the Senator yield right there?

Mr. SIMMONS. I wish the Senator from Alabama would allow me to carry on this colloquy a little further, because, unfortunately I have been absent; I have not been here during the debate, and I am trying to get some light on the proposition.

Mr. HEFLIN. I want to tell the Senator what the testimony is on that subject.

Mr. SMITH. Let me reply to the Senator from North Carolina, if my colleague will allow me.

Mr. BLEASE. Mr. President, if the senior Senator from South Carolina will be so kind as to accept it, I will just give him the floor.

Mr. SMITH. If my colleague will yield to me for just a few minutes, I will be obliged to him.

Mr. BLEASE. I will be very glad to yield now. The Senator knows a lot more about the subject than I do.

Mr. SMITH. The Senator recalls very clearly—

Mr. SIMMONS. Before the Senator goes into that, let me state just one point. My position about this matter has always been that I wanted this great power which has been developed, and a much greater potential power there that will hereafter be developed, to be used to the fullest extent necessary in order to supply the farmers of the United States with nitrogen. I am far more interested in that than I am in the power, because even if we do not develop any water power at Muscle Shoals, we have sufficient water power elsewhere in our country to run our industries.

Mr. SMITH. Let me say to the Senator right there, that, so far as the Government water power is concerned, that is no new thing. Everybody knows how to utilize water power, and we would not have appropriated 5 cents for Muscle Shoals if it had been proposed that the Government should go down there and develop water power.

Mr. SIMMONS. We have already developed 600,000 horsepower on the waters of North Carolina, and the undeveloped water power of North Carolina is so great that we may extend that to two and a half or three million horsepower. There is plenty of water power in my State for all commercial purposes. What we are concerned about primarily in connection with Muscle Shoals is the manufacture of fertilizer on this property which belongs to the Government in sufficient quantities to supply the farmer, and any condition, any provision, any contingency in connection with this contract which endangers the permanent use of this property for the making of a sufficient

quantity of nitrogen to supply the American farmers is, to my mind, something indefensible.

Mr. SMITH. It is a perversion of the law.

Mr. SIMMONS. It is a perversion of the purposes and objects we have had in view. When the proposition was pending before I contended, and I now contend, that with the uncertainty of the possibility of developing nitrogen from the air sufficiently cheap to make it available to the farmer, until that question has been determined and until it is made certain that for all time to come a sufficient amount of this power will be dedicated to that purpose, I do not want the Government to dispose of the property. I do not want the Government to dispose of it until that happens, because I am exceedingly in doubt as to whether the companies which are now bidding for this property have in view at all the manufacture of fertilizer. I have an idea that their purpose is entirely concentrated in the development of power, and that they will, by one method or another, handle the situation so that fertilizer apparently can not be made there sufficiently cheaply to answer the purposes of the farmer.

Mr. HEFLIN. Mr. President, will the Senator yield just there?

Mr. SMITH. I prefer to answer that right at this point. Everyone of us knows that everything moves along the line of least resistance, and the readiest market is for power. Perhaps no hydroelectric power company in this country will make as great a profit as will be reaped through the leasing of Muscle Shoals on the terms proposed in all the measures that have been before us. I will not stop now to analyze that proposition. They are to pay so much interest on \$50,000,000, the cost of the dam, less the amount ascertained to be the value of the improvements on the river to the Government as aids to navigation. That may reduce it to \$30,000,000. They will get this tremendous power, with a market waiting and ready, with some transmission lines already constructed, with the transformers easily installed, the switchboards ready.

The Senator and the Senate know that the argument we have heard here about the likelihood of the manufacture of fertilizer at Muscle Shoals is without foundation. All the arguments we have heard are to the effect that we do not need that power to produce fertilizer. Therefore the Senator is right in his contention that if we lease this plant we will have leased a power project, and it will result, in my opinion—and I am sure the Senator agrees with me that it will result—in the production of nitrogen by whatever company gets it, with whatever processes are available, and the cost being found excessive, with 8 per cent added, they will say, "It is not feasible; therefore we want to be relieved from any further obligation to produce nitrogen." Then they will have our power plant.

Mr. SIMMONS. We would have to release them, would we not?

Mr. SMITH. Certainly we would.

Mr. HEFLIN. Mr. President—

Mr. SIMMONS. If we want an unbiased investigation of this—

Mr. HEFLIN. I could not permit that statement to go unchallenged.

Mr. SIMMONS. If we want thorough experimentation and investigation of the possibility of producing nitrogen from the air at a cost that will make it available to the farmers, we are more likely to get it through a Government agency than through a private agency.

Mr. SMITH. What object would the Government have in misleading the farmers when we have established this Nitrate Research Laboratory; when we consider the consecration of the Agriculture Department to the interest of agriculture, a branch of the Government set aside for that purpose, advanced to the standing of a department of our Government, the Secretary of Agriculture and his vast host of collaborators trying to analyze and state the problems of the farmers, and to solve those problems, spending hundreds of millions of dollars annually through this department to better the farmers' condition. Now, instead of leaving this project as we provided for it, it is proposed that we turn it over to a corporation whose interest it is to make profit, not fertilizer. They do not lease it with any other idea.

Mr. HEFLIN. Now, Mr. President, if the Senator will yield—

The PRESIDING OFFICER (Mr. SACKETT in the chair). Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. The Senator has so much time in which to speak, and repeat and rerepeat what he has already repeated, and is still repeating that I think perhaps—well, I will yield.



Mr. HEFLIN. I should think the Senator would yield, when he states that we would have to release the man who entered into a solemn contract to make fertilizer. We would not do anything of the sort. We would hold him to the lease or cancel the lease.

Mr. SMITH. Does the Senator think we ought to hold him to the lease if—

Mr. HEFLIN. Hold him to the lease or let him get out of the way and give place to somebody who can make fertilizer.

Mr. SIMMONS. What would be the use of holding him to the lease if he was making the fertilizer at such a price that nobody could pay it?

Mr. HEFLIN. The testimony before the committee is to the effect that they could make it at half the price the farmers are paying to-day.

Mr. SMITH. I do not think that has been demonstrated yet. I have been zealous for the carrying out of this project, so zealous that I have prided myself upon the fact that the original act was a piece of constructive legislation, believing that as long as water flowed and as long as the transformation of energy was a fact it would be an eternal blessing to those who must till the soil.

We have not yet arrived at perfection in the process by which nitrogen is fixed from the air; that is, in an available form cheaper than they may get it now from the sources from which it comes. But, as I showed the other day, and I had the samples here on display, our research laboratory has already in an experimental way—understand, I am not saying in a commercial way, but in an experimental way—produced a form that is three or four times more concentrated than Chilean nitrates. They have combined not sodium with nitrogen, but they have combined phosphoric acid with nitrogen, they have combined potash with nitrogen in a concentrated form to the extent that a ton of 2,000 pounds contains 1,850 pounds of these three necessary plant foods as contradistinguished from and as compared with the ordinary present commercial fertilizer, which in a 2,000-ton has 1,700 pounds of dirt and only 300 pounds of plant food. The saving in freight alone to the farmer on 8,000,000 tons of fertilizer is estimated to be \$16,000,000 on the dirt alone.

Under the present process of manufacturing fertilizer the fertilizer manufacturer takes the raw material as he finds it. Let us take, for illustration, nitrate of soda. There are 15 pounds of nitrogen in every 100 pounds of nitrate of soda. That means there are 85 pounds in elements that nobody wants, and that the field would be better off without—the sodium that contains the nitrogen. Let us take potash, or kainite, which the Senator from North Carolina has pointed out is the common form of German potash that we use. It has only 12 pounds in 100 pounds of the container, the most of which is chlorine. They take the kainite and grind it and they take the soda as it comes from Chile and grind it, and mix in such proportion as to make an 8-3-3 product, but there are only 300 pounds of actual plant food in a ton of 2,000 pounds. We are paying freight on 1,700 pounds of material that we do not want and would rather not have, hauling it from the depot to the farm and distributing it on the farm, to say nothing of the cost of the shipment of the raw material from Germany and Chile to this country.

I dare say that the freight alone on the raw material to the mixing plant and from the mixing plant to the farm would, it is conservative to say, entail a loss of between \$25,000,000 and \$30,000,000 annually. It is profitable to the fertilizer people to do this. They are getting just as great a percentage of profit on the money invested as they would get out of the concentrate, but the railroads, on the other hand, get just as much for hauling the dirt as for hauling the plant food. Not only is that true, but the cost of these materials is beyond your control and my control. Why? Because the Germans fix the price of their potash shipside and the Chilean fixes the price of nitrate shipside. Then all of the intermediaries who handle it have got to add on their cost and profit, so that when it arrives at the farm it arrives with the tax of the Chilean Government on it, it arrives with the German tax, and the transoceanic freight plus the local freight, plus the grinding, plus the charges of the wholesaler and retailer, and plus the charges of the ordinary dealer around our little stations. When it arrives in the farmer's hands it comes with that host of profits added.

Now, what is your duty and what is my duty? Our bureaus say they are developing a process by which 1,850 pounds of actual plant food will be in every ton of fertilizer, so that when we haul 2,000 pounds we will get practically 2,000 pounds of plant food. We not only get that valuable product but we

have no cost save the cost of the plant and the wages of our men whom we put there. Is it not your duty and is it not my duty and the duty of other Senators who recognize the helpless condition in which agriculture now finds itself to find the best method to fertilize the soil? Upon the fertilization of the soil, as Senators know, depends not only the present but the immediate and distant future of this country. God is not making any more land, but He is making more population. The bigger the population the greater the demand upon the land. The greater the demand upon the land the greater the demand for fertilization, and we as constructive statesmen must find the means by which we can adequately enrich the soil.

To whom are we going to leave the solution of the problem? To whom did we leave the eradication of the foot-and-mouth disease? To whom did we leave the eradication of the cattle tick that cost the country hundreds of millions of dollars? To whom do we leave the activities in looking to the benefit of the farmer generally? We have left everything to the Agricultural Department with one exception. We have arrived at a point where we now can turn over to the farmer a process that will relieve him not only of the apprehension of his land being depleted but also with a guaranty now almost ready to be made that he shall find an adequate supply at cost. But when we get there we stop. Why? In my opinion it is because there never has been established in this country a corporation to manufacture the dip for the eradication of the tick.

We did not have in this country some one who could provide the means by which the boll weevil, upon which we spent about \$13,000,000, might be checked or destroyed. But when we come to the question of fertilizer, we are face to face with an organized and entrenched manufacturing process, and, therefore, we must not touch the proposition. That is the holy of holies. We saw it demonstrated here the other day when we had the tax measure before us, in which was a provision for not taxing the reserve funds of mutual cyclone insurance companies, mutual storm insurance companies, mutual hail insurance companies, but when we came to mutual fire insurance companies the provision did not apply. I suspected then and suspect now that, consciously or unconsciously, because of the establishment of old-line fire insurance companies, it was felt that we were interfering with them and that we should not do such a thing.

Now, I want to take up another phase of the subject.

Mr. NEELY. Mr. President, I desire to submit a parliamentary inquiry, if the Senator from South Carolina will permit me.

The PRESIDING OFFICER. The Senator from West Virginia will state his inquiry.

Mr. NEELY. Who has the floor?

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. NEELY. There remain but two hours for general debate. In order to give others an opportunity to speak, I call for the regular order. If the junior Senator from South Carolina has yielded to his colleague—

Mr. SMITH. He has yielded to me.

Mr. NEELY. Then the senior Senator from South Carolina has the floor in his own right.

Mr. SMITH. Yes; and if the Senator will pay strict attention, he will find that I am enlightening him along lines in which he ought to be interested, and I know that he is interested.

Mr. NEELY. I am very much obliged to the Senator for that statement, and I am always glad to hear the Senator, but unfortunately he is not answerable to my constituents. I prefer to state my position on the matter for myself, although I know that the senior Senator from South Carolina believes that he can do it infinitely better than I can.

Mr. SMITH. I want to state to the Senator that I am cognizant of the fact that the time is limited. I have not used very much time.

I call attention now to another phase of the subject that has not been dwelt upon at all. It was touched upon very briefly by the Senator from North Carolina [Mr. SIMMONS] a few moments ago. It has been testified by experts that we can produce nitrogen under the synthetic process by use of the steam as cheap as or cheaper than we can produce it by the use of water. That is an argument in our favor for this reason. If we have 100,000 horsepower developed at Muscle Shoals, the more we reduce the power necessary to produce a unit of fertilizer, the more we can produce. If we get it down where the minimum of water power is needed to produce a certain unit of nitrogen, just in that proportion will Muscle Shoals give the promise of creating sufficient power to fix from the atmosphere a sufficient amount of nitrogen to supply the needs of the entire



fertilizer requirements of America. I believe as firmly as I am standing here that according to the table submitted by the Bureau of Soils and the experimentations now going on at our research laboratory, we can produce enough pure nitrogen, precipitated in conjunction with other chemicals in the form of the three ingredients that I have named, to make enough tonnage to supply the entire fertilizer needs of America.

Several Senators have spoken about 40,000 tons of pure nitrogen. That, translated into terms of 8-3-3, would mean something like 250,000 or 300,000 tons of mixed nitrogen in the form of commercial fertilizer with the filler. But with the perfection of the experiments they have already made, if upon a test at Muscle Shoals they should find it to be possible of manufacture in commercial quantities, there can be produced enough fertilizer at Muscle Shoals to supply the fertilizer demands of America. The source of nitrogen is unlimited. The source of phosphoric acid is unlimited, and so is the source of our potash, if experimentation turns out to be a commercial proposition and practical. The green shales of Georgia and the green sands of Jersey, where they are found, are sufficient to mix with the nitrogen we make to supply the whole fertilizer demands of the country. The question is, Why shall we not hold on to the property and utilize all the power, if necessary, in developing the project?

Mr. SIMMONS. Mr. President, I read a statement recently that when the World War closed Germany was importing about a million tons of nitrate of soda per annum.

Mr. SMITH. That was when the World War began.

Mr. SIMMONS. The Senator from South Carolina is right about that; it was when the war began that Germany was importing annually about 1,000,000 tons of nitrate soda.

I have read a further statement that to-day Germany is not importing more than 24,000 tons per annum.

Mr. SMITH. Germany, I think, now has two plants, which are producing more than sufficient for her needs. She is now exporting nitrates and is outstripping the world in her production per acre by the application of fertilizers.

Mr. SIMMONS. The Senator from South Carolina has studied this question very thoroughly, probably more thoroughly than has any man in the Senate, certainly more thoroughly than have I. I have read the additional statement that the very foundation and basis of Germany's great agricultural development before the World War was the cheap fertilizer that she supplied through Government agencies.

Mr. SMITH. And which she is still supplying.

Mr. SIMMONS. And which she is still supplying, I understand, until this day through the Government agencies to the farmers of that country, and further that the productivity of her soil had been enormously increased by the use of cheap fertilizers, the basis being nitrogen made from air, as I understand.

In this country, where our agricultural lands are better than Germany's and where, of course, we have a vast domain, why is it that private industry—unless the reason be that it is restrained by combinations and trusts—has not up to this time undertaken to supply to the extent that Germany has this need of the farmer?

Mr. SMITH. I think the answer to that is very plain, Mr. President. Fertilizer manufacturers are making sufficient profit and supplying the trade by the present processes.

Mr. SIMMONS. If that be so, why should we now trust to private enterprise to do a thing that it ought to have done long ago, but has not done? Why should not the Government proceed with this matter, especially in view of the fact that the Government owns this plant and has spent millions of dollars in its development for a specific purpose? Why should we give up that property until we shall have determined whether in this country, as in Germany, we can get all the nitrogen that we need from the air?

Mr. HOWELL. Mr. President—

Mr. SIMMONS. Just a moment further.

I wish to say a word further to the Senator from South Carolina [Mr. SMITH]. A little while ago he spoke about the enormous demand in this country to-day for fertilizer and its great benefit in increasing the productivity of the soil. Does not the Senator believe that the present demand for fertilizer in the United States is only a bagatelle in comparison with what it is going to be in the future?

Mr. SMITH. The present demand for fertilizer is a mere bagatelle in comparison with what it will be in the future if it should be cheaper.

Mr. SIMMONS. Let me develop my point. Take my own State of North Carolina. In a few years we have advanced in agricultural production from about the twentieth or twenty-fifth in rank among the States of the Union to about the fourth

in the value of agricultural commodities which we produce. We in North Carolina are the greatest users of fertilizer of any State in the Union. The soil of a large part of our territory was naturally sterile and unproductive, but we have made that soil rich and fertile by the use of fertilizers. We use a million tons of fertilizers each year, and that is the secret of our enormous output of agricultural products in the State of North Carolina as compared with the other States.

As the agricultural sections of the country become convinced that by the liberal use of fertilizers—and we use fertilizers very liberally in North Carolina, putting sometimes an entire ton of it on 1 acre of ground—they can enormously increase their output and their profits. May we not look for a condition in the country at large similar to that which I have described in North Carolina? May we not look for the great West, where the people are wearing out their lands cultivating wheat continuously year after year without fertilizer, reducing the original average from 25 to 30 and possibly as high as 50 bushels of wheat to the acre down to 12—may they not when they realize the great benefit to America by the use of fertilizer reconstruct their methods and resort to fertilizers as we have done in North Carolina and as the people are beginning to do in every State in the South to a greater extent every year? If that shall happen, as I predict it will happen in the course of the near future, the demands of the United States for fertilizers will then be tenfold greater than they are to-day.

I am merely giving my crude and offhand impressions about this matter; I have not studied it extensively, and I am making this statement for the purpose of eliciting from the Senator from South Carolina—whom I recognize as the greatest authority, probably, in the United States or in Congress upon this subject—his views with respect to the subject. If it be true that we are entering upon an era where fertilizer is to become the chief reliance of the farmer in multiplying his production, so that his production may become more profitable and more helpful to the country and may increase our wealth and our exportable surplus, why is it not wise for us now to do that thing which we have neglected to do in the past and lose no opportunity, no possibility of providing for the farmer a cheap fertilizer?

Mr. SMITH. I should like to call the attention of the Senator from North Carolina, as illustrating what he is trying to impress upon the Senate, to the fact that in my State he will recall that by the intensive use of fertilizer the famous Jerry Moore produced two hundred and thirty-odd bushels of corn on 1 acre. Of course it was not profitable to produce that amount of corn with the price which he had to pay for the fertilizer used on that acre; but suppose he had not been required to pay as much as he did for the fertilizer, under the law of increasing and diminishing returns, he might have produced that two hundred and thirty-odd bushels of corn at a profit.

If the country had needed corn and the question of the cost of fertilizer had not entered into it, as in the case of the defense of the country during the time of war, what could our section produce? And, mark you, Mr. President, that 230 bushels of corn was produced on what is known as the "black-jack" land of the Piedmont section.

Mr. SIMMONS. Which is very poor land, I understand.

Mr. SMITH. It is very poor land, being a thin sandy loam. Mr. Drake, of Marlboro County, under the measurement and supervision of Government officials, both of the State and the National Government, years before, on a better improved piece of land, made 250 bushels, such as is ordinarily made anywhere on from 10 to 20 acres. It is a good average yield of corn throughout our section to have 15 bushels to the acre. That will enable Senators to understand what fertilizer means to the soil. There are Members of the Senate from the Southern States who know that as much as 4 bales of cotton have been made on 1 acre, with an excessive amount of fertilizer. When I use the word "excessive" I mean excessive as to cost, because as the yield is increased the amount of fertilizer necessary to increase that yield is multiplied after a certain point is reached. The soil responds more liberally to the first few hundred pounds than it does to the subsequent ones; but it still responds up to a certain maximum, which was expressed in 250 bushels of corn to the acre and 4 bales of cotton to the acre. That tells the economy of the situation. Not only is more obtained per acre by the use of fertilizer, but it costs just as much to cultivate an acre of corn that yields 15 bushels as it does to cultivate an acre producing 230 bushels. It costs just as much to cultivate an acre of cotton that will produce 4 bales as one that will produce a half a bale. So I state here to-day that the paramount question in the future of this country is the adequate fertilization of our soil, and the only hope that we have of solving that problem along eco-



conomic lines is for the Government to carry on without any other incentive than to solve the problem and determine what we may do in the terms of things that we have.

Mr. NEELY. Mr. President, will the Senator from South Carolina yield to me to present a request for unanimous consent?

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from South Carolina yield to the Senator from West Virginia?

Mr. SMITH. Yes.

Mr. NEELY. Mr. President, I ask unanimous consent that between now and 3.30 o'clock p. m., the time at which we are to vote on this measure under an existing order, no Senator shall speak more than once and no Senator shall speak for more than 15 minutes. I make that request in behalf of a number of Senators who have not had an opportunity to discuss the pending question.

Mr. HEFLIN. I agree to that, Mr. President.

Mr. JONES of Washington. Mr. President, I myself have no objection to the request, but when a similar request was made the other day objection was made. There is now a very small attendance of Senators here, and I do not believe that such an agreement ought to be entered into under the circumstances.

Mr. NEELY. It is obvious, Mr. President, that there are a sufficient number here to consume all the time between now and 3.30 o'clock and probably all the time for the next week at the rate at which we are going. So I insist we have a right to have those who are now in the Chamber, especially interested in this question and listening to the debate, determine how the remaining two hours shall be consumed.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I hope he will withhold his request for a moment.

Mr. JONES of Washington. I withhold the request for a moment.

Mr. SMITH. Mr. President, I have the floor, and I want to make a statement.

The PRESIDING OFFICER. The absence of a quorum has been suggested.

Mr. JONES of Washington. I withdraw the suggestion.

Mr. SMITH. Mr. President, I have no desire whatever to cut off debate, and I am not going to retain the floor any longer. This matter is of such intense interest to me and, I am sure, to the agricultural interests of this country, that I had hoped the United States Senate would have taken a more personal interest in it than they have done. I think it is a mere gesture that we are going through with now; there is no sincerity in it, because we can not afford and should not allow any private interest to have this great project, regardless of what is the fate of the resolution now pending and regardless of what bids shall be offered. It is our duty to take this matter seriously and to hold on to Muscle Shoals until we have developed the possibilities of relief along the lines of the present statute, and at the proper time I propose to offer my substitute for the entire resolution.

Mr. JONES of Washington. Mr. President, may I ask the Senator from West Virginia to withhold his request for a little while until I can send for the Senator from Nebraska [Mr. NORRIS] and he can be in the Chamber. He objected to a similar request the other day.

Mr. NEELY. If I can get recognition for a few minutes I will withdraw my request entirely.

Mr. HARRISON. Mr. President, if the Senator from West Virginia withdraws the request I shall renew it. I hope that some limitation shall be made upon the speeches between now and 3.30 o'clock.

Mr. HEFLIN. Mr. President, the request will be renewed a little later, but I suggest that the Senator from West Virginia be permitted to proceed now. He will not speak over 15 minutes, I understand.

Mr. NEELY. I will not consume anything like 15 minutes. I think I have consumed something like four minutes since the question has been before the Senate.

The VICE PRESIDENT. The Senator from West Virginia is recognized.

Mr. NEELY. Mr. President, more than 100 years ago President Monroe and his Secretary of War, John C. Calhoun, laid Muscle Shoals, like an unwanted child, on the doorstep of the Congress. Ever since the day of its entry into this body it has been a most perplexing, persistent, and pestiferous guest. During the past century Muscle Shoals has consumed the time of legislators, marred their parliamentary programs, deluded those who have desired the distribution of its power, and bit-

terly disappointed every farmer who has ever hoped to enrich his impoverished soil with the fertilizers which could be so cheaply made by a proper utilization of its potentialities.

This project has cost the taxpayers of the Nation, including principal and interest, at least a quarter of a billion dollars.

Muscle Shoals has proved to be more vexatious and expensive to the American people than the plagues of the frogs and the flies and the locusts and the lice were distasteful and disastrous to the ancient Egyptians who endeavored to perpetuate the bondage of the children of Israel.

In current slang Muscle Shoals has become as irritating and intolerable as a "northeast blister on a southwest sore."

Between 1828 and 1838 the Government made a donation of 400,000 acres of public land, with the proceeds of which the State of Alabama constructed the first canal and locks at Muscle Shoals.

In 1899 the second great improvement was completed at an additional cost to the Government of \$3,191,726.50.

In the latter part of the year 1917 the Chief of Engineers of the Army directed the expenditure of \$500,000 for the beginning of the construction of lock and dam No. 2.

In February of the following year President Wilson authorized a further expenditure of \$12,630,000 for the completion of this dam.

In addition to the foregoing the Government has constructed two nitrate plants at the shoals and purchased the near-by Waco quarry for use in the manufacture of fertilizers.

Nitrate plant No. 1, which was authorized in September, 1917, is equipped for the manufacture of gas, ammonia, ammonia oxidation, acid concentration, ammonium nitrate, and power. It cost the Government \$12,887,941.

Nitrate plant No. 2 has a capacity of 110,000 tons of grained ammonium nitrate a year. Its various subdivisions are equipped to manufacture calcium carbide, cyanamide, liquid air, ammonia gas, nitric acid, ammonium nitrate, and power. This plant, together with the Waco Quarry, cost the Government \$67,553,355.

All told the Government has already invested 400,000 acres of land and more than \$122,000,000 in cash in Muscle Shoals. So far this investment has been almost entirely unproductive. It is high time that the people derive some benefit from their vast expenditures for the development of this enterprise.

Ever since I came to the Senate I have advocated Government operation of this great natural resource. At this late hour I shall not attempt to refute the charges that governmental operation in this instance would be a socialistic step toward the nationalization of all industries. Suffice it to say that for reasons apparent to every thoughtful person governmental operation of Muscle Shoals is not even remotely related to governmental operation of coal mines or steel mills or other ordinary industries.

From an economic and strategic point of view, Muscle Shoals is similar to the Panama Canal. Every consideration that has impelled the Government to operate the Panama Canal should impel it to operate Muscle Shoals. Each was purchased with the people's money. Each is necessary to the Nation's prosperity in time of peace; each is indispensable to its security in time of war.

While Muscle Shoals should always be immediately available for the production of munitions in time of war, it should in peace be utilized first of all in the manufacture of fertilizers for the benefit of the farmers, whose present financial condition is more deplorable than that of any other class in the country. While the press has boasted of the phenomenal prosperity of the captains of industry and the extraordinary increase of wealth of those who deal in stocks and bonds, under the present and preceding administration the farmers of the nation have, nevertheless, during the same time grown poorer and poorer and apparently lost the greater part of that which other classes have won.

For example, on the 1st day of January, 1921—a little more than two months before Mr. Harding's administration began—the value of farm property of the Nation was \$79,000,000,000. On January 1, 1926, the value of the Nation's farm property was only \$59,000,000,000. This deplorable shrinkage in value meant a dead loss to the farmers of \$20,000,000,000 in the short space of five years. The farmers have received no more benefits from the present and preceding administration than Lazarus received at the rich man's gate.

Let me invite the Senators on the other side of the aisle to atone for their derelictions of the past by helping to-day to provide for immediate governmental operation of Muscle Shoals to capacity in the manufacture of fertilizers to be furnished to the farmers at the lowest possible cost to the end that they may reclaim their exhausted soil and extricate

themselves from the financial slough of despond in which they have suffered ever since the end of the Wilson administration.

But, Mr. President, I confess that my past experience with the lawmakers of the Nation renders it impossible for me to cherish any optimistic anticipations as to the result that will be recorded when we vote on the pending concurrent resolution and the proposed amendments thereto at half past 3 o'clock.

No one can be oblivious to the fact that wealth and privilege are more nearly supreme in the United States to-day than they have ever been before. The country is in the grasp of a materialism as crass as any that Nietzsche ever taught or of which the Kaiser ever dreamed. In the circumstances, the Congress will perhaps succumb to the general clamor for the exploitation of Muscle Shoals by some private concern, instead of authorizing its operation by the Government in the interest of all the people.

But, if after a hundred years of expensive debate and deliberation the Senate can not be persuaded to provide for Government operation of this enterprise by virtue of a substitute resolution that will be offered by the able senior Senator and successful farmer from South Carolina [Mr. SMITH] we shall be forced to the conclusion that it would be useless further to continue the struggle to prevent monopolistic hands from operating Muscle Shoals.

I have offered three amendments to the resolution, each of which is designed to safeguard the interest of the public. The third of my amendments is, in my opinion, of the most vital importance. It provides that in any lease that may be executed by virtue of the adoption of the resolution before the Senate, there shall be reserved to the Government the right, after a year's notice in writing, to take over Muscle Shoals and all of its improvements upon the Government's paying to the lessee the actual cost of such improvements and 6 per cent interest thereon.

If this amendment prevails, and the resolution as thus amended is adopted, it will never be necessary for the Government to suffer more than a year as a result of any unfortunate contract it may make for the operation of the Shoals.

But regardless of the adoption or rejection of any or all of the various amendments and substitutes that have been or may be proposed, I purpose to vote for the best immediately available solution of this century-old problem in order to end its obstruction of other necessary legislation. If we should adopt the resolution without amendment, and thereby demonstrate anew the truth of Mr. Burke's pessimistic dogma that "the deliberations of calamity are rarely wise," I shall endeavor to find comfort in the fact that practically all of my constituents who have favored me with an expression of their opinion on the subject we are considering have urged me to vote for the pending measure.

If the Senate places its stamp of approval on the resolution, and Muscle Shoals thereby becomes the valuable possession of some private concern, the eloquent and able junior Senator from Alabama will be entitled to all the credit for the accomplishment. Throughout his long, vigorous, and most effective advocacy of the private operation of the Shoals it might have been very appropriately said of him, as it was once said of another famous orator:

His mighty words like Jove's own thunders roll;  
Greece hears and trembles in her inmost soul.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from New York?

Mr. NEELY. I do.

Mr. COPELAND. I hope the Senator will press his amendment providing that the lease be reported back. I assume, from what the Senator says, that he will do that at the proper time.

Mr. NEELY. Of course, I shall urge the adoption of all the amendments I have proposed, including the one to which the Senator from New York has referred.

Mr. FESS obtained the floor.

Mr. JONES of Washington. Mr. President—

Mr. FESS. I yield to the Senator from Washington.

Mr. JONES of Washington. I was just going to announce, when I saw the Senator from Nebraska [Mr. NORRIS] coming in, that he had no objection to limiting debate, if it is desired to submit that request again.

Mr. HEFLIN. Then, Mr. President, I submit it, unless the Senator from Ohio objects.

Mr. FESS. No. I desire to take the floor for about 10 minutes.

Mr. HEFLIN. I ask unanimous consent that debate hereafter until half past 3, shall be limited to 15 minutes; that no Senator shall speak more than once or more than 15 minutes.

Mr. FESS. I have no objection.

Mr. BLEASE. Mr. President, does that mean on the entire proposition? Suppose a Senator wanted to speak on the proposition itself, and then wanted to speak on one of the amendments?

Mr. HEFLIN. He must make his entire remarks in the 15 minutes.

Mr. BLEASE. Then I object. I object to these time limits, any way. I want to say now, while I am on my feet, that I never expect, in any matter in which I am interested, ever again to consent to any unanimous-consent agreement to vote at a specific hour unless it is agreed beforehand that each side of the proposition shall have one-half of the time, and that the Chair or somebody interested on each side shall divide that half. We tried this thing here once before, and we got into confusion. One Senator took the floor and kept it, and we are in pretty good shape to be in the same fix right now.

In matters in which I am not interested I do not propose to make any objection; but in the future I do not propose to agree to any request for unanimous-consent to vote at a specific hour unless there is some agreement as to division of time. I object to this proposition now for the same reason.

Mr. HEFLIN. Mr. President, right in that connection, if the Senator from Ohio will permit me, I desire to state that 16 hours have been consumed by the opponents of this concurrent resolution, and about three and one-half hours by those who favor it. We who favor it are making the proposition now to limit debate, and I suggest to my friend from South Carolina that we have not had even half or anything like half the time.

Mr. BLEASE. It is already limited to 3.30, as I understand. Let the Senator take the floor and keep it. I have no objection.

Mr. HEFLIN. I do not want to do that. It would not be fair to other Senators.

Mr. BLEASE. I am not going to agree to cut off Senators who are not here. I understand that it is their duty to be here, but a lot of them are not here.

Mr. HEFLIN. I have no desire to cut off those who would like to speak. I desire to be heard in the latter part of the debate for 15 minutes; that is all.

Mr. FESS. Mr. President, I will not detain the Senate more than 10 minutes. I simply want to make a statement of the situation as it appears to me.

The first time the Muscle Shoals proposition was given prominence in the Congress was back in 1889. In looking over the Record, I find that at that time an appropriation for the development of Muscle Shoals was proposed and put in a bill, but it went out on a point of order. Almost ever since that time there has been more or less interest in the possibilities of the development of that great project.

I have never been in favor of it. In fact, I was convinced that it probably would be an undertaking which would result in the loss of a great amount of money, and in all likelihood would not prove itself of value. But when the war opened and we established the nitrate plant and found ourselves involved, first, to the amount of \$20,000,000, and then in due time to the amount of \$60,000,000, we faced a situation which, in the words of a great Democratic statesman of other days, was not a theory any longer but was a condition. As a Government we have a very large amount of money invested in that great project, to say nothing about the purpose of it. That being so, the only alternative, it seems to me, is now either to use it or junk it, and I doubt whether anyone would think it would be wise to junk a proposition in which we have spent so much money. I have heard persons say they were willing to junk it rather than to undertake the running of it by the Government; but I doubt whether that is a sincere statement.

The truth about the matter is that we have the money invested, and I think the alternative of junking it is out of the question. Therefore we must go on with it. It is either go on with it and complete it as a Government proposition, and then operate it as a Government proposition, or sell it if we can find a buyer, or lease it, retaining the title in the Government, but having it operated under the form of a lease, with conditions specified. It was thought we could sell it, and an offer was made by a distinguished business man. When that offer was made, I thought it was rather an unconscionable offer—there was so small an amount of consideration money offered, with such a tremendous value to be conveyed, and I confess that I reacted unfavorably to the sale of it to Henry Ford. Yet the further I went into it, the more I was convinced that even the Henry Ford proposition would be preferable to the Government operating the plant under its own management. But the Ford proposal was withdrawn, and that is out of the question now.



Then, in the last Congress, a proposal was made by the senior Senator from Alabama [Mr. UNDERWOOD], which seemed to be an entirely feasible one, that the authority be given to lease the project, and if we failed to get a lease, then, of course the Government would have to operate it. All sorts of objections were made to that proposal. I supported it, believing that that was the most feasible proposal which had been made up to that time. But we failed in that, and during the discussion the objection to having definite action at that time on the Underwood proposal was met by the suggestion that we appoint a commission to further study the situation, discover the best plan of disposition, and have it reported back to the Congress. There was some objection to that. During the discussion I noted that while certain Senators felt that it was an executive proposition, others felt that it was giving too much power to the President, and there was considerable opposition from that angle.

Now, we have a new proposal, different from anything we have had heretofore. Instead of having a joint resolution or a bill, which would have to be signed by the President, we have before us a concurrent resolution, which does not require the President's signature, and that is to insure that there will be a report back to the Congress, and the charge that the President is all ready with a bidder in mind, with his mind made up, would fall. Yet I have been somewhat astonished to hear certain utterances on the floor of the Senate to the effect that we are now trying to get away from the President his proper responsibility to take the initiative. The truth about the matter is that there is an effort to make the best possible disposition of this tremendously important project, in which we have so much money already expended, to make the best possible proposal to get a definite policy upon it, and it seems to me that this is the most feasible proposal that has yet been made, even more feasible than the one we failed to adopt at the last session.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. FESS. In just a moment. I am inclined to believe, after studying it up one side and down the other, that the thing to do is to pass this resolution without any amendment whatever and give it effect as a concurrent resolution. Then the committee will come back to the Congress with whatever proposal they have, and, as a responsible officer said to me the other day, we will have the whole thing to go over again. This does not dispose of it, but this does offer a way for a specific proposition to be adopted or rejected, and if we fail in leasing the plant—and I hope we will not, under proper conditions, of course—then let the Government go on and operate it as a Government project. That would be, from my standpoint, the last resort. I do not want to have the Government do that, but I would rather have the Government do that than to junk the plant.

For these reasons, I hope the resolution will be passed just as it has been introduced.

I now yield to the Senator from New York.

Mr. COPELAND. Mr. President, the distinguished Senator from Ohio is a strict constructionist, if I recall correctly. What has he to say to the clause in the original act, when this was provided for in 1916, where it was provided that—

the plant or plants provided for under this act shall be constructed and operated solely by the Government, and not in conjunction with any other industry or enterprise carried on by private capital.

My question is, in view of the fact that that language was used in the original act and is really a part of our contract with the people of the United States, does not the Senator think that we are under obligations to operate this plant as a Government plant?

Mr. HARRISON. Mr. President, will the Senator from Ohio yield while I submit a request for unanimous consent?

Mr. FESS. I yield.

Mr. HARRISON. I submit the request that, after the Senator from Ohio shall have concluded, no Senator may speak longer than 15 minutes or more than once up to 3.30 o'clock to-day, which, I understand, is the hour when the vote is to be taken.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. FESS. In reply to the Senator from New York—

Mr. COPELAND. Just one moment. I have not quite finished my question.

Mr. FESS. I yield.

Mr. COPELAND. Are we not under obligation to the people of the country, in view of this clause in the original act, to operate the plant under Government auspices, certainly until the Government has demonstrated what should be the ultimate disposition of the property?

Mr. FESS. Replying to the Senator, I would remind him that when the first appropriation was made it was on the basis of national defense. It was to build a plant to produce a certain product, and that was to be primarily for defense, at a time when the war was raging in Europe, and we were quite certain that we could not stay out of it. That is the reason why Congress yielded to a thing which up to that time, year after year, it had declined to enter upon, and, as I stated before, that opened the door. One appropriation after another was made until we had gone from the \$20,000,000 to away beyond \$100,000,000. So we announced what the purpose was in the national defense act, to wipe out much of the prejudice which had up to that time opposed the Government doing this sort of thing. It was to remove any sort of suspicion that the Government was doing anything more than to take care of national defense.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. FESS. I yield.

Mr. NORRIS. That provision was put in the original act.

Mr. FESS. Yes; so I understand.

Mr. NORRIS. That provision was in the act before we appropriated any money. It has been the standing law for the appropriation of every dollar we have ever spent since. Having acted on that principle all these years, and taken \$150,000,000 of the people's money on that expressly stated condition, does not the Senator think that now, when we have the project completed and the people's money spent, it is at least quasi bad faith to give the plant away to somebody?

Mr. FESS. Of course, the Senator from Nebraska knows it is not. Whatever we might have done in one Congress, a succeeding Congress could amend the policy or amend the law.

Mr. NORRIS. Would it not have been good faith on our part, if we were going to amend it, to have amended it immediately when we made these appropriations?

Mr. FESS. Very likely we could not have amended it at that time, because of the strength that was back of the Government operation and the ownership policy, as is the case now. That is the difficulty right at this moment. I do not care what Senators' phraseology may be, this is a contest between Government-operation people, with whatever coloring might be used to camouflage their position, and the people who believe in private enterprise, and if at one time we decided, as the only thing we could do, that it was Government operation, we certainly can change it to a different policy later on. Or if it at one time was a lease, we can change that in a subsequent Congress to the Government-operation plan. Certainly a prior Congress can not bind this Congress to anything, and these Senators know that. That is the most fundamental thing that we have in legislation.

Mr. LENROOT. Mr. President, may I suggest to the Senator that when the original act was passed it was assumed that the fixation of nitrogen from the air would be an unqualified success and that this power was required for that purpose. The conditions have greatly changed.

Mr. FESS. That would be another conclusive reason why the policy should be modified.

Now, in the interest of others who want to speak, I shall conclude. I just wanted to make a bare statement of the situation as it appears to me. I shall not only vote for the concurrent resolution, but I am inclined to vote against any amendment that is offered.

Mr. COPELAND. Mr. President, I shall not detain the Senate long, but I did want to ask the Senator from Ohio another question or two. He says this is a contest between those who believe in Government ownership and operation and those who do not. I do not think that is quite fair. We have made a tremendous investment in this property, \$167,000,000.

We did it under the specific pledge to the people, as I see it, in the clause which we find in the original act. I do not believe the people in the country would have been satisfied to put this tremendous amount of money into the project even under the conditions which prevailed then if it had been thought that the property would be ultimately turned over to private interests. It is my position that the Government has not yet demonstrated what should be done with Muscle Shoals, and I am utterly unwilling myself to vote to turn this tremendous project over to private interests until that determination has been made.

It is not, as the Senator from Ohio [Mr. Fess] suggested, a contest between those who favor public ownership and operation and those who believe in private ownership. It is a matter of keeping faith with the American people in this particular project. It has no relation to the general question of public versus private ownership. I do not believe that we should hastily and inconsiderately take a step to-day which would take away from the people of the country their great



investment in this great power with its undeveloped possibilities, because we do not know what its possibilities are. We do not know what will be the ultimate use of Muscle Shoals. It is safer for us, as I see it, to keep the property in our possession until that determination is made. Therefore, so far as I am concerned, I am in opposition to the concurrent resolution.

Mr. SMITH. Mr. President, I do not know but that it would be wiser to let the joint resolution which I am about to introduce lie over until such time as some disposition shall be made of the pending concurrent resolution. My first impulse was to ask for a vote on the joint resolution, but I feel that it really constitutes the agriculturalists' bill for Muscle Shoals that goes somewhat beyond the Power Trust, the Fertilizer Trust, and I want this to stand as the bid of the agricultural interests of the country. They have only one organization that is a national organization that is permanent, and it is the Agricultural Department. In behalf of the farmers of the country I want to have the joint resolution stand in the nature of a bid. I shall decide before the vote is taken on the pending concurrent resolution whether I shall ask for a vote on the joint resolution at this time or whether I shall wait until such time as the concurrent resolution is disposed of.

I now introduce the joint resolution and ask that it may be read.

The VICE PRESIDENT. The clerk will read as requested.

The joint resolution (S. J. Res. 68) to provide for the maintenance and operation of the nitrate and power properties of the United States at Muscle Shoals, Ala., and for other purposes, was read the first time by its title and the second time at length, as follows:

Whereas under section 124 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, it is provided that "The plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital"; and

Whereas the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala. (excepting nitrate plant No. 2), were acquired and constructed pursuant to the authorization contained in section 124 of such act of June 3, 1916; and

Whereas it is for the best interests of the people of the United States that such properties (including nitrate plant No. 2) shall continue to be maintained and operated by the Government and dedicated to the uses specified in section 124 of such act of June 3, 1916: Therefore be it

*Resolved, etc.,* That all the functions vested in the President by section 124 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916 (including such of those functions as are now being exercised by the Secretary of War and the Secretary of Agriculture, respectively), and all functions with respect to the operation and maintenance of nitrate plant No. 2, shall be exercised by the Secretary of Agriculture for the benefit of the Government and people of the United States by providing for the national defense by insuring an adequate supply of nitrates for use in time of war, and by promoting agriculture through the development of cheaper commercial fertilizers.

SEC. 2. That in carrying out the provisions of this resolution the Secretary of Agriculture is authorized and directed to form, under the laws of the District of Columbia, a corporation for the maintenance and operation of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., and for the development of such additional facilities as the corporation considers necessary. The total capital stock of the corporation shall not exceed \$20,000,000. The Secretary of Agriculture may, for and on behalf of the United States, subscribe to, purchase, and vote not less than a majority of the capital stock of such corporation and perform all other functions with respect thereto necessary to protect the interests of the United States and to carry out the purposes of this resolution.

SEC. 3. (a) That any excess power developed in the operation of such properties may be disposed of under such terms and conditions as the corporation may prescribe to any State or political subdivision thereof, or to any individual, partnership, association, or corporation.

(b) The corporation shall give preference in the disposition of such excess power to the power requirements of States, political subdivisions of States, and public-service companies.

SEC. 4. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$20,000,000, or so much thereof as may be necessary, to carry out the provisions of this resolution.

Mr. SMITH. I ask that the joint resolution may lie on the table.

The VICE PRESIDENT. It will lie on the table.

Mr. SMITH. Mr. President, I merely want to explain that the general provision of the joint resolution is practically that of the bill which is now pending before the Committee on Agriculture and Forestry. It is a dedication of the property to the agricultural interests of the country directly and alone, not through the intermediary of any private corporation, any power company, any dual power and fertilizer company, but a direct continuous sequence of what is contained in the original act which is now upon the statute books. It is for the Government, now that it has completed the property to the point where its actual operation can be carried on, to carry it on solely in the interest of agriculture during times of peace and for the defense of the country during times of war.

My idea as contained in the joint resolution is that the corporation formed under authorization of law, if it shall sell power, shall devote the proceeds from that power, without any further expense to the taxpayers of the country, to the development of the processes of fixing nitrogen and manufacturing other ingredients. The units now are being rented at a thousand dollars a day. We have eight of those units for the primary power and four or six—I do not just recall which—for the secondary power, which means that in all probability there will be, during the experimental stage of the process, quite a large amount of power that will be sold. The proceeds from that sale naturally ought to be used in conjunction with the erection of a proper plant for experimentation and for the production of this necessary ingredient. It seems to me that is the happiest combination that could be conceived of, that we have developed sufficient power down there to carry on not only the experimentation but to pay its way, and subsequently when we shall have developed and standardized the method of producing fertilizer for the farmers the income will be sufficient in perpetuity to produce it at a very low figure. As the art is more perfected the output will be greater and the income will necessarily be greater, and we will know beyond cavil whether or not this very hopeful project shall be carried out in all of its details for the benefit of agriculture.

We can not do that if we lease the property. No man leasing the property will do the dead work necessary to perfect the processes upon which all agriculture is dependent. If he should do so, the processes will immediately be patented and all competitors are shut off from those patented processes, and the prices will be all that the trade will bear. We all know that to be the fact. But if the Government discovers, as it apparently has discovered, a cheap process, immediately every agricultural citizen will be the beneficiary. All of the incentive of the Government will be to perfect that for which the plant was set apart and dedicated.

I can not understand the reason for the clamor that we should call for a bid. It would have been all right perhaps for those who do not believe in Government operation even in any department of our economic life, it would have been all right for them when this matter was before the Senate, had they prevailed, to say before we spent a dollar at Muscle Shoals, "Let us give our plans and specifications to a private corporation and ask them to bid on constructing the dams and locks necessary to produce this power, and let the lowest bidder called carry on the project for specific purposes." But we did not do that. That plan was offered to the Senate at one time. The distinguished senior Senator from Alabama [Mr. UNDERWOOD] offered that identical amendment to the bill that I had the privilege of introducing, and it was voted down. He offered different amendments looking toward private capital coming in and developing a part of the project, but they were all voted down. In order that there might be no misunderstanding as to what it meant, the Congress put the provision in the law that this should be done by the Government alone to the exclusion of all private enterprise. Ten years have gone by.

We have added and added until at last the power is there and the plant is there. It needs but the proper officering to enable us immediately to go to the production of this ingredient. Now at the very birth of possibility it is proposed to turn it over to a private corporation on the iniquitous plan of cost-plus. There is no man in the Senate who has not been the victim, if he be a taxpayer, of that miserable cost-plus system.

Of course, the greater the cost the greater the volume of the percentage. The percentage does not rise, but the aggregate under that percentage rises. The man who buys it pays it all. The mere idea of leaving the private corporation to audit its own books, to determine what was essential and what was not essential, what was proper to be charged off as depletion, obsolescence, and the thousand and one other things that it may do, and, of course, will do, and then on top of that



to add 8 per cent, simply means saying to the farmers of the country "We do not propose to stand between you and those who would, perhaps indifferently, manufacture some of this fertilizer but manufacture it for profit to them without regard to what effect it may ultimately have upon the possibility of supplying you."

Mr. President, I shall offer that joint resolution as the farmers' measure as against the corporations and trusts and combines that may offer one.

One last word and then I do not propose to have anything more to say until the vote is taken. We talk about Government ownership. We own this plant now. We own the navigable rights by inheritance and the Constitution. We went out and bought the riparian rights and the adjoining property for a distinct purpose. We condemned the land; we acquired it; we received gifts; and all this vast property contiguous to this dam was bought by the American people for a distinct purpose. We own it now. The only question is who shall operate it and for what purpose shall it be operated.

Senators here who are claiming they are against Government ownership voted to appropriate the money to purchase Muscle Shoals. It was purchased for a specific purpose. This resolution does not in any way, shape, or form change that purpose. We have a door where we can open up to the American farmer great possibilities if we shall not do anything else. In the name of justice and reason, let us carry on until we shall know exactly what are the possibilities of producing fertilizer at Muscle Shoals. If after a proper time shall have passed, with our own Government officials working as assiduously as they have worked in our research laboratory, they shall say the prospect is hopeless, then we may come here and discuss the question as to whether or not we shall lease the plant for power purposes.

I, for one, do not believe that we should lease it for power purposes until we shall have operated it sufficiently long to know what would be a just return for the privilege to be conferred. How many Senators on this floor know exactly what would be a reasonable charge for this essential power that must some time take the place of coal? No more coal is being made. Power must take the place of gas, for no more gas is being generated in the earth; it must take the place of oil, for no more petroleum is being produced by nature's processes; the source is being exhausted every day. The time will come—it is rapidly approaching—when we shall have to depend upon hydroelectric power to do the great mass of work in America. We ought to know—it is our duty to know—just who are going to control that power, for what purpose, and what is to be the cost. We are at the parting of the ways. Organized society is based upon entirely different conditions from those which prevailed when the Constitution was written, and you and I, Mr. President, have got to meet those changing conditions. They are here now, and we have got to meet them. It is better for us to meet them in their incipency than to wait until entrenched power has placed itself in a position to dictate to the American people life or death, as did the coal barons a few weeks ago. We had better enact the proper legislation now than later to perform a major operation to cut the arteries that bind these trusts and combinations to these essential industries. There can be no happier time than now for us to demonstrate to the American people what they have at Muscle Shoals and what are the possibilities in the terms of Government development and operation.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	McLean	Shipstead
Bayard	Fess	McMaster	Shortridge
Bingham	Fletcher	McNary	Simmons
Blease	Frazier	Mayfield	Smith
Borah	George	Means	Smoot
Bratton	Glass	Metcalf	Stanfield
Brookhart	Goff	Neely	Stephens
Broussard	Gooding	Norbeck	Swanson
Butler	Greene	Norris	Trammell
Cameron	Hale	Nye	Tyson
Capper	Harrell	Oddie	Wadsworth
Caraway	Harris	Overman	Walsh
Copeland	Harrison	Pepper	Warren
Coutzens	Heflin	Philpps	Watson
Cummins	Howell	Pine	Weller
Dale	Johnson	Pittman	Wheeler
Deneen	Jones, N. Mex.	Robinson, Ark.	Williams
Dill	Jones, Wash.	Robinson, Ind.	Willis
Edge	Kendrick	Sackett	
Edwards	La Follette	Schall	
Ernst	Lenroot	Sheppard	

The VICE PRESIDENT. Eighty-one Senators having answered to their names, a quorum is present.

Mr. TYSON. Mr. President, I have a telegram from my colleague, the senior Senator from Tennessee [Mr. McKellar], which I should like to read into the RECORD. It is as follows:

MEMPHIS, TENN., March 8, 1926.

Hon. L. D. TYSON,

United States Senate, Washington, D. C.:

I am paired with Senator WILLIS on all Muscle Shoals votes. Senator WILLIS told me he was opposed to any amendments. I favor all amendments offered by those who seek in any way, however slight, to protect the rights of the people and of the Government. He favors the resolution as it is, and I am unalterably opposed to it in any form without in the slightest degree impugning the motives of any Senator favoring it. I regard the resolution as the first step in a proposed sacrifice of the Government's property and of the people's interests, equaling in enormity and in wickedness the sacrifices of the people's rights and property in the unsavory oil leases. Please read this telegram in the RECORD before the voting begins.

KENNETH MCKELLAR.

The VICE PRESIDENT. The question is on the amendment offered by the junior Senator from Arkansas [Mr. CARAWAY].

Mr. WALSH. Mr. President, I ask that the amendment may be stated.

The VICE PRESIDENT. The Clerk will read the amendment.

The CHIEF CLERK. On page 1, line 10, after the word "lease," it is proposed to insert the words "or leases," so as to read:

The committee is authorized and directed to conduct negotiations for a lease or leases of the nitrate and power properties—

And so forth.

Mr. CARAWAY. On that amendment I ask for the yeas and nays.

Mr. HEFLIN. Mr. President, I wish the Senate thoroughly to understand what the issue here is. The Senator from Ohio [Mr. Fess] has just stated it, but some of the Senators were not then present. It is a question of Government operation; it is a question of putting the Government into competition with the private citizen. It is a question of turning this plant over to some private citizen and letting him pay the Government, for its use in making fertilizer for the farmer, more money in 50 years than the whole project cost. If we dispose of it in a lease and require fertilizer to be made, we will have accomplished two things of distinct benefit to our people—the making of cheap fertilizer for the farmer and the making of the Tennessee River at Muscle Shoals navigable for 25 miles.

Now, I want to remind the Senators that if they shall load this resolution down with amendments, they are deliberately taking the risk of forcing a deadlock between the two Houses in conference. I do not want that situation to arise. The House has gone on record, I believe twice, in favor of the McKenzie bill, which embodied the Ford offer. The House passed the pending resolution, which is based on the Ford offer, by a vote of 9 to 1. This particular plan for disposing of Muscle Shoals has become a fixed policy with the House. Mr. President, this resolution was introduced in the House by one of the ablest of the Republican leaders, Mr. MADDEN, of Illinois, who made a speech in favor of it that has not been answered and, in my judgment, can not be answered. Mr. FINIS J. GARRETT, the able minority leader of the House, and Mr. SNELL, a man of marked ability and chairman of the Committee on Rules of the House, agreed in the detail upon this resolution. The Senate in the last three years has voted for and has adopted three different and distinctly opposite plans for the disposition of Muscle Shoals. The House has consistently stood by the plan known as the Ford bid in the McKenzie bill. The President indorses this resolution as it passed the House. The farmers of the country are for the resolution as it now stands—unamended.

Mr. WILLIAMS. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Missouri?

Mr. HEFLIN. I am sorry; I can not yield; I have only 15 minutes in all. Those here who sincerely supported the Ford offer which promised cheap fertilizer for the farmer are anxious to have bids made in keeping with the Ford offer. If the bids are not acceptable, they can be rejected by the Congress. If the Senate or the House want to amend the bid, if the bidder will consent to it, it can be done even when the report comes back; but any amendment to the concurrent resolution may throw us hopelessly into deadlock, which might result in defeating legislation upon this question at this session of Congress.

Mr. President, some Senators are trying to amend the resolution by providing for what they call an equitable distribution of surplus power among several Southern States. In the first place, who would determine what is an equitable distribution? If these States were bidding for Muscle Shoals, seeking to lease it and each one should pay its pro rata share, then it would be right for the Government to say that each one should have his fair share of the power; but if a private citizen is going to bid and he is going to put his own money up and pay the Government for the use of the power, he ought to have something to say about what he will do with that other power after he complies with the Government's requirement to produce at least 40,000 tons of fixed nitrogen a year, for it will be remembered that this whole project was started as a measure for national defense—nitrates for the Government in time of war and fertilizer for the farmer in time of peace.

Suppose we put on this amendment providing for what they call equitable distribution of surplus power, and a fertilizer manufacturer leases Muscle Shoals. We are going to require him to put up transmission lines and sell electricity whether he desires to do so or not. The laws of the various States will not permit parallel transmission lines anywhere, and the lines are already established in that territory in my State. They are using them now. The Alabama Power Co. has its lines there.

This company would not be permitted to parallel those lines. Then what situation would you have this man in who is going to deliver the Nation and the farmers of the country from dependence upon the Chilean nitrate trust? He would say: "I can not distribute this power. I am not permitted to put up transmission lines alongside of those already established." And he would say, "You are going to compel me to sell, whether it is profitable or not, any power that I may not use in making fertilizer, and therefore you are going to make it more difficult for me to make fertilizer as cheaply as I could and would if not hampered with such restrictions." Then what would happen? Being unable to establish his own transmission lines, and therefore unable to transmit and retail his surplus power, he would be compelled to sell it in bulk at whatever price some power company was willing to pay.

He might have to sell it so cheaply that it would make his whole enterprise unprofitable, and, of course, that would result in tremendous injury to the farmers that so many Senators seem to have forgotten.

That is not all, Mr. President. President Coolidge in his messages has twice asked Congress to lease this plant or dispose of it some way to some private individual. If we fail at this session of Congress, I want Senators to be notified in time as to what may happen if we fail to lease this property. We may by our do-nothing policy cause the President to feel that he should dispose of this Muscle Shoals property during the recess. He has already given us two chances. He has recommended twice in his messages that we lease it, and he now indorses this resolution. He again asks Congress to go ahead and lease it.

Suppose we fail, and continue to differ and wrangle over the details of the plan here proposed and Congress adjourns with nothing done. Then the President may feel that he must do something with it, and what will he do with it? I confess that I do not know. He may lease it to somebody—but listen, Senators—if he can not lease it, he may sell it. I am not sure but that he has the power to sell it under section 124 of the national defense act. We ought not to be responsible for such a situation.

The Gorgas power plant in my State was sold. Somebody wanted to buy it. Congress had failed to dispose of it. It was tied up with and dragging along in the Ford offer. The Gorgas plant was a part of the Muscle Shoals project. It was sold. Why? Because Congress had at least failed to do anything with it.

Now, Senators, I want to appeal to you—especially you on this side who have heretofore favored making cheap fertilizer for the farmer. You have it in your power now to do that very thing. The opportunity is right before you. If this concurrent resolution passes, and we succeed in doing what we think we can do, it will save to the farmers of the State of North Carolina \$18,500,000 a year; it will save to Alabama \$10,000,000, and to the cotton-growing States nearly \$200,000,000 a year, and will save a great deal to the other sections. I want to sound this note of warning before my time expires.

If this measure is amended, and it goes to conference, and the House refuses to recede, and this measure dies, then what? The President may say, "You have had six years in which to obtain a lease on this property. You have failed or declined to do it. Now I feel that I must dispose of it as best I can."

Mr. President, I make this last appeal, especially to the two Senators on this side who so ably and persistently supported the Ford offer. I mean the Senator from Arkansas [Mr. CRAWFORD] and the Senator from South Carolina [Mr. SMITH]. They joined with me and others in making a minority report in favor of the Ford offer, which above all things required the making of cheap fertilizer for the farmer. Then cheap fertilizer for the farmer was the paramount thing, the thing uppermost in their minds, not the distribution of power; and that report which had their hearty approval and bears the names of both of them, contains this statement:

As for distribution of power under the Ford proposal, we are convinced that since the production of fertilizer is the purpose of the development in time of peace, it is not a matter of importance whether power is distributed from this plant or not.

Remember, Senators, this resolution is based on the Ford proposal.

I put this proposition to the Senators: These Senators who fight now to put power distribution in the concurrent resolution are doing so at the risk of losing this great opportunity to provide cheap fertilizer to our farmers, for in going off after the power side of this question they are depriving the farmer of the only chance that he has ever had to get cheap fertilizer to use on his farm. I am hoping that this resolution will not be loaded down with amendments that mean its defeat. Let the bids be made and reported. Then if Congress does not want to accept the bids, let Congress reject them all; but do not let us permit the Power Trust and the Fertilizer Trust to prevent action at this session of Congress.

The American farmer is entitled to his day in court, especially when the only opportunity that has come to save him many millions of dollars a year is at hand. His friends here should not permit a power proposition to overshadow and obscure the matter of cheap fertilizer for the farmer. The Ford bid provided cheap fertilizer. The lessee under this resolution will have to make cheap fertilizer just as Ford agreed to make it. We will have the right to pass on it and accept or reject it. Mr. Hooker, of New York, a fertilizer manufacturer, said before the Committee on Agriculture that he was going to bid on it. Another company said the same thing, and I understand that four or five companies told the President's commission that they intended to bid. So let us wait and see what their bids are, and if they are not good we will reject them; but, Senators, in the name of the hard-pressed and over-burdened farmers of the country I appeal to you let us pass this concurrent resolution as they have indorsed it, and make sure that we will dispose of this question at this session of Congress.

Mr. NORRIS. Mr. President, I had intended to go into this question in considerable detail, but it has been a physical impossibility for me to do so, and I must content myself by referring only in a general way to the very important question that is before the Senate.

The Government has spent at Muscle Shoals more than \$160,000,000. It owns the property now. It is not a question of whether we shall go into Government operation or Government ownership. We already own the property. We have spent the people's money upon it. We have spent it under a law originally passed providing that when it was completed it should not be leased or sold to any private corporation or individual. We are the trustees for the people of the United States, and the question now before us is: Will we, having spent their money and completed the project, to a great extent, now be false to the trust and violate the law by changing the conditions under which we have been operating since 1916?

Dam No. 2 at Muscle Shoals has primary capacity of a little less than 100,000 horsepower, yet there are seasons in the year when there is water enough coming over that dam to make a million horsepower. Every student of the subject, every engineer, agrees that if we had no other motive than to make the property now owned by the Government more valuable, it would be necessary to develop the Tennessee River and its tributaries.

Every student of the subject, every economist, and every engineer agrees that to get the maximum amount of electricity, the maximum amount of flood control, the maximum accommodations for navigation, the system must be developed as a whole and that we can not build dams here and there haphazard, even though we consider that the people interested in one dam alone would make more money by putting it there than elsewhere. The way to make the Tennessee River valuable for the great South is to get the maximum amount of navigation. That river runs right through the heart of the South. It will give the South a system of transportation which, properly developed, will be second to none in the civil-



lized world. We will get the maximum amount of flood control, as far as the waters of the Tennessee are concerned, by a systematic, scientific development as a whole of the Tennessee River and its tributaries.

So that we have the three objects of improvement, coordinating, working with each other in perfect harmony—electricity or power, navigation, flood control. If we handle one in the right way, we will have done the best for the others. Flood control and navigation are admitted to be Government propositions, not private propositions. It is a Government activity, and since the Government already owns \$160,000,000 worth of property there, why not let the Government, it being interested in navigation and in flood control, so develop the power from this system as to get the maximum amount of power for the minimum cost?

No one can do that and do it in the right way except the Government. If we should turn that over to one party, he would pay no attention to flood control, he would pay no attention to navigation, he would put dams and water projects wherever it would be to his interest to put them and without regard to developing the river as a whole. If we want to get the most out of it, we must develop it all.

Dam No. 2 is owned by the Government of the United States. If that system were properly developed, instead of 100,000 primary horsepower there would be four or five hundred thousand horsepower developed. In other words, without putting another dollar into Dam No. 2, we would multiply its value by three or four, if we properly developed the river. What would that mean for the South? In the first place, it is a Government proposition now. We have spent the people's money to develop it. In the next place, everything that is spent in the future for navigation and for flood control will be spent on what is conceded to be a governmental proposition. If this were turned over to one private individual and he owned the whole system, if it were developed properly, there would be a private monopoly under which the people of the South would be compelled to live through generations, and no free people, no democracy, can permit a private monopoly to control the very necessities of life.

If this were properly handled and this electricity distributed over the South, there would be given the greatest exhibition of the production of cheap power the civilized world has ever known. Instead of paying in the cities of the South from 7½ to 12 cents per kilowatt-hour for electricity, every home in that great section of the South would be supplied with electricity at not to exceed 2 cents a kilowatt-hour when the power was all developed. In addition to that, at that price there could be an amortization, so that in 40 of 50 years' time the entire investment cost would be wiped out, and electricity would be so cheap that that would be the leading manufacturing district in the United States, besides giving to every home and every hamlet electricity that would be so cheap that as compared with present prices it would require a stretch of the imagination to grasp all of the benefits that would come.

Mr. FLETCHER. Mr. President—

Mr. NORRIS. I would prefer not to be interrupted until I finish.

There would be placed in every home a servant, a servant that would work 24 hours a day, a servant that would never complain, a servant that would get no wages, a servant that would always be ready to serve the housewife of every home.

Who made this country? Who made the hills and mountains and valleys? Who put the water in the great Tennessee? Who constructed all of that country? Was it Alabama? Was it Tennessee? Was it any other one State? All those things were given to us by an all-wise Creator if we will only utilize them. Let us take away the power of private corporations and private individuals to make profits, and let us put electricity in the homes the same as we put water into the homes now in all of the municipalities. If we should properly develop this project, we would tap this lightning that man has called electricity and convert its destructive and ruthless forces into a friendly power that would turn the countless wheels of toil all through the South and bring happiness and comfort to thousands of humble homes.

It has been demonstrated, and if I had the physical strength and time I could demonstrate it again now, that over in Ontario on a large scale, like this would be at Muscle Shoals if properly developed, they are doing exactly what I have outlined that the South could do. A little home of five or six rooms, instead of having a few electric lights for which they have to pay 10 or 12 cents a kilowatt-hour, would have every electrical device known and at a remarkably low rate. It would have all the conveniences of the modern home. It would have the electric sweeper, the electric fan, the electric washer, the electric ironer, the electric stove. Everyone would

be cooking by electricity. They would heat the bath water and have hot water at all times heated by electricity. In other words, there are a thousand and one ways in which cheap electricity can bring not only financial profit but happiness, sanitation, and joy to the people in the homes where the housewife now is drudging from morning to night wearing out her life, and she might just as well be relieved if we would avail ourselves of the opportunities that God has given us.

What is the objection to all this? Senators say we are going to put the Government into business. Senators, if we had a war to-morrow we would need all of the property that we now have at Muscle Shoals, every bit of it. We would want more. The plan I have been trying to get the South to reach out its hands and grasp has been and is one that would preserve for the Nation its readiness for any military emergency that might arise, and at the same time, in times of peace, give all of these enjoyments to her people.

We have heard Senators talk about fertilizer. Mr. President, the evidence stands uncontradicted before the world to-day that the manufacture of fertilizer consumes, as it is improved, less and less power. There is not a single horsepower at Muscle Shoals that would be used in the modern method of producing fertilizer.

The statements about using water power to make cheap fertilizer for the farmer are made either in ignorance of what the facts are or for the purpose of fooling the American farmer and deceiving him as to what the possibilities are at Muscle Shoals. There is nothing in fertilizer that the waterpower there can produce as cheaply as we can buy fertilizer on the market to-day anywhere in the United States. Everybody, and that includes myself, is willing to go to any length to cheapen fertilizer. The bill which I have introduced goes further than any legislation that has ever been proposed. Its purpose is to use in experimentation all of the facilities that are properly usable for fertilizer at Muscle Shoals, in the hope that we may devise a cheaper method to develop fertilizer.

Why should we want to deceive the farmer? Why do we want to tell him that this water power at Muscle Shoals will cheapen fertilizer when we must know it has not anything to do with it? Either we are trying to fool the farmers with deceptive arguments or we are working in the interest of the Power Trust, who would like to have this power kept out of the market and used to make nitrates that would be worthless after they are made.

I can not understand why Senators should be so anxious to pass the pending resolution, which will close the door of human progress and human happiness to the sunny southland. Why should we now take a step which, if carried to its logical and its intended conclusion, will make it impossible for the great Tennessee River system ever to be developed and put in operation for the benefit of the people of the South? The time will come—it may be when we are gone—when this wonderful wave of reaction will subside and when the good, honest citizens of our great South will realize that now is the time when they have missed the glorious opportunity to bring to themselves and to their children the prosperity, the happiness, and the comfort that will follow the proper development of the natural resources which God has given them.

The VICE PRESIDENT. The time of the Senator from Nebraska has expired.

Mr. WILLIS. Mr. President, a few moments ago the junior Senator from Tennessee [Mr. TYSON] read into the RECORD a telegram from my friend the senior Senator from Tennessee [Mr. McKELLAR], with whom I am paired, in explanation of the arrangement we had between us. I know the senior Senator from Tennessee so well, and am so confident of his entire fairness to friend and foe alike, that I am sure he did not intentionally do me an injustice, though I think in his desire to make his own position clear he has done so. I desire to correct that wrong impression.

The telegram in part reads as follows:

I am paired with Senator WILLIS on all Muscle Shoals votes. Senator WILLIS told me he was opposed to any amendments. I favor all amendments offered by those who seek in any way, however slight, to protect the rights of the people and of the Government. He favors the resolution as it is.

So far as the statement relating to the pair is concerned, that is absolutely accurate; but, as I suggested, in his effort to make his own position clear he has unintentionally and thoughtlessly put me in a false light. The fact is there are many things in the resolution that do not please me at all. If I had had the drafting of the resolution in the first instance, there are several changes that I should have made in it, and, speaking with the utmost frankness, there are several of the

amendments which are pending that I wish might become a part of the resolution. But knowing the little that I do of the parliamentary situation, I am strongly of the belief that if the resolution is amended it will be the end of the whole matter so far as action by Congress is concerned. The matter would then go back to another legislative body and perhaps be thrown into conference and action could be delayed indefinitely. I think it is important that we have the report of the committee at this session of Congress.

I reserve to myself the right to vote for or against the report of the committee. I do not consider myself at all bound in that respect. By adopting the resolution in its present form the Senate, in my judgment, does not yield up any of its rights, but simply provides a means whereby it can get some information. It is because I feel that the adoption of amendments would imperil the passage of any resolution whatever that I shall vote, as the telegram says, against the amendments, but not for the reason that my friend from Tennessee suggested in his effort to make his own position clear.

In that connection I desire to have printed as a portion of my remarks a letter which came to me this morning from officials of the National Grange and of the American Farm Bureau Federation.

The VICE PRESIDENT. Without objection, permission is granted.

The letter is as follows:

AMERICAN FARM BUREAU FEDERATION,  
Washington, D. C., March 8, 1928.

HON. FRANK B. WILLIS,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: To-day the vote is to be taken on House Concurrent Resolution No. 4, which authorizes a procedure intended to remove Muscle Shoals from the field of controversy and devote it to the farmers' purposes when not needed for national defense.

Muscle Shoals was not intended to be a commercial power project, except as its power is useful for fertilizer making and preparedness purposes. To allow it to become a power project, with the aim of distributing power over a wide area, is equivalent to the surrender by Congress of all that the farmers have fought for and all that was promised them in the authorization of the enterprise.

The power at Muscle Shoals once delivered to the Alabama Power Co. or other distributing agencies for public-utility purposes will create vested rights on the part of consumers which will jeopardize the farmers' rights to use this power for fertilizer purposes.

With the millions of horsepower of electric energy already developed and the scores of millions of horsepower awaiting development, will not you vote to allow this one plant producing less than one-quarter of 1,000,000 horsepower to be devoted to the farmers' purposes in industrial chemistry and fertilizer manufacture free from limitation which would impair or destroy the usefulness of the enterprise?

The amendment offered by Senator GEORGE or any other amendment with similar effect will prevent the benefits from going to the farmers and will place the power interests in a dominating position.

We are satisfied that House Concurrent Resolution No. 4 without amendments safeguards the farmers' interests, and trust that it will have your support.

Very respectfully,

THE NATIONAL GRANGE, P. OF H.,  
By T. C. ATKESON,  
Washington Representative.  
AMERICAN FARM BUREAU FEDERATION,  
By CHESTER H. GRAY, Acting Director.

Mr. HARRISON obtained the floor.

Mr. GEORGE. Mr. President, will the Senator from Mississippi yield to me a moment?

Mr. HARRISON. With pleasure.

Mr. GEORGE. Since the senior Senator from Ohio [Mr. WILLIS] has offered a letter for the RECORD, which I presume to be the same letter that was sent by the National Grange and the American Farm Bureau Federation to each Senator in this body except myself—I did not get one—I wish to make just a brief statement about the letter.

In the next to the last paragraph, if the letter is the same as the one I hold in my hand, this language occurs:

The amendment offered by Senator GEORGE, or any other amendment with similar effect, will prevent the benefits from going to the farmers and will place the power interests in a dominating position.

That is signed "The National Grange, P. of H., by T. C. Atkeson, Washington representative," and "American Farm Bureau Federation, by Chester H. Gray, acting director."

Mr. President, I offered an amendment to the pending resolution which in substance is the same as the amendment offered by the junior Senator from Arkansas [Mr. CARAWAY]. My

amendment is a little more elaborate and contains a few provisions which his general amendment does not contain. But I had decided, since he had offered his amendment first, and it is the pending amendment, that I would not offer my amendment, but would content myself with voting for his amendment, which contains the substance of my amendment.

I have no comment to make upon the letter of the National Grange and the American Farm Bureau Federation or of the two representatives of those organizations, except that if the National Grange and the American Farm Bureau Federation are paying these men any money, then these men owe it to their organizations to be working for the farmers of America and not for the Power Trust and the Fertilizer Trust. If they are willing to take money out of the farmers' organizations, they ought to be decent enough to render service to their constituents.

Mr. President, my position is perfectly plain. I do not propose to vote for House Concurrent Resolution No. 4, which does not provide for any equitable distribution of power, so far as it can be carried, to all of the people of the Southland. Nor do I propose to vote for the resolution at all, because it is a grab; and every man who sponsors it and who has thoroughly investigated it, however honest he may be, will one day awake to the realization of one fact, that it was a grab, and that somebody exercised the power given him under the grab.

I believe, Mr. President, in coming out in the open. I presume, of course, that since representatives of the farmers' organizations have spoken to the Senate, their voices will be potent; but I only suggest that it might be well for the principals of those gentlemen to see whether they are earning the salary that is being paid to them.

Mr. HARRISON. Mr. President—

Mr. HIEFLIN. Mr. President, I suggest that this time shall not come out of the time of the Senator from Mississippi [Mr. HARRISON].

The VICE PRESIDENT. The time will not be counted out of that of the Senator from Mississippi.

Mr. HARRISON. I do not know that I will utilize the time allotted to me.

Mr. President, the Muscle Shoals matter has been before the Senate for a long time. It so happens that I chanced to be a member of the Committee on Agriculture during the consideration of all the preceding measures. I was one of those who fought in the committee and on the floor of the Senate to accept the Ford proposal. I believed then and I believe now that it would have been better for the development of Muscle Shoals and for the farmers of the country at large if the Ford proposal had been accepted. Following that I championed upon the floor of the Senate the Underwood bill, which was offered as a substitute for the bill embodying the Ford offer. I believed in the provisions of the Underwood bill, and I was, indeed, sorry when the conference report, which was filed after much consideration by very able Senators and Representatives, failed to come to a vote.

I do not see so much in this particular resolution, but it is a step in the solution of this problem, I hope. I trust that the gentlemen who will be appointed to negotiate a lease will have submitted to them and will report back to the Senate and the House of Representatives one that will meet all the requirements of the Underwood substitute, but I wish to call the attention of the Senate again to the fact that the terms of any lease must be equal to or greater than those set forth in H. R. 518 in their advantage to the Government. We know how many times that bill was amended; we know that a substitute was offered to H. R. 518, which was the Ford proposal, and it seems to me that we ought to write into this resolution an amendment to provide that the terms shall be in their benefit to the Government equal to or greater than those contained in the conference report accompanying H. R. 518, for the reason that the conference report contains the provisions that were made in anticipation of a lease.

The conference report was not adopted by the Senate, but the substitute bill passed the Senate; and it would seem to me that such an amendment as I have suggested ought to be adopted, not only because the question was considered in every phase when the bill was before the Senate and in conference but, as was pointed out in the discussion of the Underwood substitute, the Government would have received \$40,000,000 more than it would have received under the Ford proposal. As Senators will recall, at that time Mr. Ford, under the terms of his offer, was not required to pay any interest at all on the first \$17,000,000 that went into the construction of Dam No. 2, and was not to pay any interest on Dam No. 3 until six years—I believe it was—after that dam should have been completed. In other words, there was a difference between the Underwood proposal, which imposed a



4 per cent interest rate from the time the lease was made right on through, while the Ford proposal did not operate on the first \$17,000,000 on Dam No. 2, nor on Dam No. 3 until six years after its completion. So I submit if an amendment should be written into the bill providing that the terms of the lease shall be equal to if not greater than those embodied in the conference report on House bill 518 the Government will be assured of getting at least \$40,000,000 more than it would under the Ford proposal; and if that amendment should be adopted it would not be necessary to adopt the amendment which has been offered by the Senator from Arkansas [Mr. CARAWAY], which I favor very much, and which otherwise I hope will be adopted, because in that conference report it is provided that—

The surplus power not required for the fixation of nitrogen or for the manufacture of fertilizers or other useful products which will reduce the cost of fertilizer shall be sold for distribution.

That provision relative to surplus power was agreed to by the distinguished Senator from Alabama [Mr. UNDERWOOD] and also by the junior Senator from Alabama [Mr. HEFLIN]. There was no question raised at that time in the consideration of the Underwood bill against a provision being written into it that the surplus power over that required to manufacture the 40,000 tons of fixed nitrogen might be incorporated in the bill. It is idle talk to say that we here in the Senate shall not at all amend this House resolution. It is a short resolution at most; it does not contain many complicated questions. So I submit that the amendment offered by the distinguished Senator from Arkansas to incorporate the words "or leases," and also the amendment as to the question of surplus power ought to be written into the resolution. I want to make myself plain now. If the committee to be appointed shall negotiate a lease and report it back here which does not provide for the distribution of surplus power over the amount required in the manufacture of fertilizers, I for one shall vote against that particular proposition.

This is not merely an Alabama question. It is true that Muscle Shoals is within the boundaries of Alabama, but the boundary line of my State is only a few miles away. We border also on Tennessee. Many industries have been located in my State on the assumption that they will be able to obtain a part of the surplus power that is developed at Muscle Shoals over that needed for the manufacture of the required amount of fertilizer.

It seems to me only fair and equitable that the surplus power should be distributed and that it should not be congregated and congested in this one spot at Muscle Shoals.

As one who comes from this immediate territory, I appreciate the splendid work which has been done by the members of the Committee on Agriculture and Forestry. I do not think that any committee has worked harder and more zealously and enthusiastically than have the members of that committee in studying the Muscle Shoals problem. I take no stock in this hurling of anathemas at one another and questioning Senators' motives. From the beginning I have differed from the distinguished Senator from Nebraska [Mr. NORRIS]. He has strong convictions on this subject, but there is no Senator who ever worked harder or tried more earnestly to go to the bottom of the proposition than has he in the consideration of Muscle Shoals. All of the other Republican Senators on the committee have done the same. The junior Senator from Alabama [Mr. HEFLIN] and his colleague, the senior Senator from Alabama [Mr. UNDERWOOD] have performed yeoman service in pressing for a solution of this question.

I know the Senator from Alabama, who has stood the brunt of this fight here so far as this side of the Chamber is concerned, has acted from high and pure motives. We all know he is a friend of the farmer, but he is mistaken; his judgment is wrong, in my opinion, in refusing to accept the amendment which is pending and the one dealing with surplus power. They can not be harmful, but will present the issue so clearly that the negotiators when they come to consider the bids will know what kind of a bid should be received, and the adoption of such amendments might prevent us turning down the report of the committee when the bids are brought in. So I hope that the amendment offered by the distinguished junior Senator from Arkansas [Mr. CARAWAY] will be adopted.

Mr. BLEASE. Mr. President, I notice in the CONGRESSIONAL RECORD a letter from a gentleman who also signs a letter to me in reference to the Senator from Georgia [Mr. GEORGE]. I wish to say that, so far as South Carolina is concerned, the farmers of that State are represented in this body by a farmer. Farming is the life; it is the living of the distinguished senior Senator from South Carolina [Mr. SMITH]. He has never had

any other profession or any other means of livelihood except the small pittance of a salary which is paid him here in the Senate. And the farmers of that State are represented by another who has received but very few votes in South Carolina except from the farmers and the cotton mill and railroad shop workers. Neither of us have ever had that support from the corporations or the newspapers which possibly has been given to others; and when this man signs a letter and sends in to the Senate in which he says he is a representative of the farmers of South Carolina, or in which he intimates that he is such representative, I say to you, Senators, that he is an impostor and that if he has ever received a dollar from the farmers of South Carolina he is a traitor and that his letter in every respect carries and bears the marks of a blatherskite and a liar. [Laughter.]

Mr. NEELY. Mr. President, before the Senator from South Carolina takes his seat I should like to inquire if the gentleman of whom he speaks is all right except in the particulars which he has enumerated?

Mr. BLEASE. Well, Mr. President, there are some things I should like to say about him that I do not think I would be allowed to say here.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HARRISON. Amendments may be offered after 3.30, as I understand, but can not be discussed after that hour.

The VICE PRESIDENT. That is correct.

Mr. HARRISON. I desire, then, to give notice that, in the event the amendment of the Senator from Arkansas [Mr. CARAWAY] as to surplus power shall be voted down, I shall then offer an amendment providing that the terms of any lease shall be as good if not better than those contained in the conference report on House bill 518.

Mr. HEFLIN. Mr. President, the Senator from Arkansas [Mr. CARAWAY] a little while ago got himself confused considerably with regard to the Gorgas plant. The Gorgas plant was sold under war-time legislation authorizing the Secretary of War to dispose of war plants. He did this in the face of the fact that both the Judge Advocate General and the Attorney General had declared that the contract with the Alabama Power Co. was illegal and unenforceable.

The VICE PRESIDENT. The Chair regrets to say that the Senator is out of order. He has already spoken once.

Mr. HEFLIN. I am through, Mr. President. [Laughter.]

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Arkansas [Mr. CARAWAY] on which the yeas and nays have been requested. Is the demand seconded?

The yeas and nays were ordered.

Mr. COUZENS. I ask to have the amendment stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, line 10, after the word "lease," it is proposed to insert the words "or leases," so as to read:

The committee is authorized and directed to conduct negotiations for a lease or leases—

And so forth.

The VICE PRESIDENT. The question is on the amendment just stated. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. In his absence I transfer that pair to the senior Senator from Rhode Island [Mr. GERRY] and will vote. I vote "yea."

Mr. FERRIS (when his name was called). I have a pair with the Senator from Kansas [Mr. CURTIS]. I am informed that if he were present he would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. FLETCHER (when his name was called). I have a general pair with the Senator from Delaware [Mr. DU PONT]. I am advised that he would vote as I shall vote on this subject. I vote "nay."

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD], which I transfer to the Senator from Louisiana [Mr. RANDELL] and will vote. I vote "yea."

Mr. NORRIS (when his name was called). I am paired with the senior Senator from Alabama [Mr. UNDERWOOD], who is detained from the Chamber on account of illness. If the Senator from Alabama were present he would vote "nay," and if I were at liberty to vote, I should vote "yea."

Mr. WILLIS (when his name was called). I am paired with the senior Senator from Tennessee [Mr. MCKELLAR]. If that

Senator were present he would vote for this amendment. I transfer that pair to the junior Senator from New Hampshire [Mr. KEYES] and will vote. I vote "nay."

The roll call was concluded.

Mr. JONES of Washington. I desire to announce that the Senator from Illinois [Mr. McKINLEY] is paired with the Senator from Maryland [Mr. BRUCE], and the Senator from Massachusetts [Mr. GILLET] is paired with the Senator from Missouri [Mr. REED]. If those Senators were present the Senator from Maryland and the Senator from Massachusetts would vote against this amendment, and the Senator from Illinois and the Senator from Missouri would vote for it.

The result was announced—yeas 47, nays 31, as follows:

YEAS—47			
Ashurst	Dill	Lenroot	Simmons
Bayard	Frazier	McMaster	Smith
Blease	George	McNary	Stanfield
Borah	Glass	Mayfield	Stephens
Bratton	Harris	Norbeck	Swanson
Brookhart	Harrison	Nye	Trammell
Broussard	Howell	Overman	Tyson
Cameron	Johnson	Pittman	Walsh
Caraway	Jones, N. Mex.	Robinson, Ark.	Watson
Copeland	Jones, Wash.	Robinson, Ind.	Wheeler
Couzens	Kendrick	Sheppard	Williams
Cummins	La Follette	Shipstead	

NAYS—31			
Bingham	Fletcher	Means	Schall
Butler	Goff	Metcalf	Shortridge
Capper	Gooding	Neely	Smoot
Dale	Greene	Oddie	Wadsworth
Edge	Hale	Pepper	Warren
Edwards	Harrell	Phipps	Weller
Ernst	Healin	Pine	Willis
Fess	McLean	Sackett	

NOT VOTING—18			
Bruce	Ferris	McKellar	Reed, Mo.
Curtis	Gerry	McKinley	Reed, Pa.
Deneen	Gillett	Moses	Underwood
du Pont	Keyes	Norris	
Fernald	King	Ransdell	

So Mr. CARAWAY's amendment was agreed to.

The VICE PRESIDENT. Under the unanimous-consent agreement of last Saturday, the amendment next in order is the one offered by the Senator from Wisconsin [Mr. LENROOT].

Mr. HEFLIN. On that I call for the yeas and nays.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 11, it is proposed to strike out "1" and insert "26," so that it will read:

shall report to Congress not later than April 26, 1926.

Mr. FLETCHER. Mr. President, a parliamentary inquiry. I thought the Senator from Arkansas [Mr. CARAWAY] had another amendment.

Mr. CARAWAY. I have offered another amendment, which was to go with this one.

The VICE PRESIDENT. That amendment will come up later on. This amendment comes up at this time under the unanimous-consent agreement made last Saturday.

Mr. FLETCHER. I had supposed the question on agreeing to that amendment would come after the question was put on the amendment of the Senator from Arkansas [Mr. CARAWAY].

Mr. HEFLIN. The committee can ask for more time if they need it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LENROOT].

Mr. HARRISON. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as to my pair and its transfer, I vote "yea."

Mr. FERRIS (when his name was called). I have a pair with the senior Senator from Kansas [Mr. CURTIS]. I am informed that if he were present he would vote "nay." I therefore vote "nay."

Mr. FLETCHER (when his name was called). Making the same announcement as before, I vote "nay."

Mr. JONES of New Mexico (when his name was called). Making the same transfer of my pair as on the previous roll call, I vote "yea."

Mr. NORRIS (when his name was called). Repeating the announcement that I made on the preceding roll call in regard to my pair with the senior Senator from Alabama [Mr. UNDERWOOD], I withhold my vote.

Mr. BROUSSARD (when Mr. RANSDELL's name was called). I desire to announce that my colleague, the senior Senator from Louisiana [Mr. RANSDELL] is absent. If he were present he would vote "yea."

Mr. WILLIS (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. McKELLAR] to the junior Senator from New Hampshire [Mr. KEYES] and will vote. I vote "yea."

The roll call was concluded.

Mr. JONES of Washington. I desire to announce that the Senator from Massachusetts [Mr. GILLET] is paired with the Senator from Missouri [Mr. REED] and the Senator from Illinois [Mr. McKINLEY] is paired with the Senator from Maryland [Mr. BRUCE].

The result was announced—yeas 59, nays 20—as follows:

YEAS—59			
Ashurst	Dill	La Follette	Shipstead
Bayard	Edge	Lenroot	Shortridge
Bingham	Fess	McMaster	Simmons
Blease	Frazier	McNary	Smith
Borah	George	Mayfield	Smoot
Bratton	Glass	Metcalf	Stanfield
Brookhart	Goff	Norbeck	Swanson
Broussard	Greene	Nye	Tyson
Butler	Harris	Overman	Walsh
Cameron	Harrison	Pepper	Warren
Capper	Howell	Robinson, Ark.	Watson
Caraway	Johnson	Robinson, Ind.	Wheeler
Copeland	Jones, N. Mex.	Sackett	Williams
Couzens	Jones, Wash.	Schall	Willis
Cummins	Kendrick	Sheppard	

NAYS—20			
Dale	Gooding	Means	Pittman
Edwards	Hale	Neely	Stephens
Ernst	Harrell	Oddie	Trammell
Ferris	Healin	Phipps	Wadsworth
Fletcher	McLean	Pine	Weller

NOT VOTING—17			
Bruce	Gerry	McKinley	Reed, Pa.
Curtis	Gillett	Moses	Underwood
Deneen	Keyes	Norris	
du Pont	King	Ransdell	
Fernald	McKellar	Reed, Mo.	

So Mr. LENROOT's amendment was agreed to.

The VICE PRESIDENT. The question is upon agreeing to the second amendment offered by the Senator from Arkansas [Mr. CARAWAY], which the clerk will report.

The CHIEF CLERK. On page 1, line 13, after the word "purposes," insert the words "such power to be equitably distributed among the communities and States to which it may be properly transported," so as to read:

The committee is authorized and directed to conduct negotiations for a lease or leases of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., for the production of nitrates primarily and incidentally for power purposes, such power to be equitably distributed among the communities and States to which it may be properly transported, in order to serve national defense, agriculture, and industrial purposes, and upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease shall be for a period not to exceed 50 years.

Mr. HEFLIN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as to my pair and its transfer, I vote "yea."

Mr. FERRIS (when his name was called). I am paired with the senior Senator from Kansas [Mr. CURTIS], and in his absence I withhold my vote. If the senior Senator from Kansas were present, he would vote "nay"; and if I were permitted to vote, I would vote "yea."

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. du Pont]. If present, the Senator from Delaware would vote "nay" on this amendment. If I were permitted to vote, I would vote "yea." Not being able to get a transfer, I withhold my vote.

Mr. JONES of New Mexico (when his name was called). Making the same announcement with regard to the transfer of my pair as on the previous vote, I vote "yea."

Mr. NORRIS (when his name was called). Repeating the announcement heretofore made as to my pair, I withhold my vote.

Mr. WILLIS (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. McKELLAR] to the junior Senator from New Hampshire [Mr. KEYES] and vote "nay."

The roll call was concluded.

Mr. BROUSSARD. I desire to announce that my colleague [Mr. RANSDELL] is unavoidably absent. If present, he would vote "yea."



Mr. HEFLIN. My colleague [Mr. UNDERWOOD] is absent on account of illness. If he were present, he would vote "nay." The result was announced—yeas 47, nays 30, as follows:

## YEAS—47

Asburst	Dill	McMaster	Shipstead
Bayard	Frazier	McNary	Simmons
Bleas	George	Mayfield	Smith
Borah	Glass	Means	Stanfield
Bratton	Gooding	Norbeck	Stephens
Brookhart	Harris	Nye	Swanson
Broussard	Harrison	Overman	Trammell
Cameron	Howell	Phipps	Tyson
Capper	Johnson	Pittman	Walsh
Caraway	Jones, N. Mex.	Robinson, Ark.	Watson
Copeland	Kendrick	Robinson, Ind.	Wheeler
Couzens	La Follette	Sheppard	

## NAYS—30

Bingham	Goff	Metcalf	Smoot
Butler	Greene	Neely	Wadsworth
Cummins	Hale	Oddie	Warren
Dale	Harrell	Pepper	Weller
Edge	Heflin	Pine	Williams
Edwards	Jones, Wash.	Sackett	Willis
Ernst	Lenroot	Schall	
Fess	McLean	Shortridge	

## NOT VOTING—19

Bruce	Ferris	King	Ransdell
Curtis	Fletcher	McKellar	Reed, Mo.
Deneen	Gerry	McKinley	Reed, Pa.
du Pont	Gillett	Moses	Underwood
Fernald	Keyes	Norris	

So Mr. CARAWAY's amendment was agreed to.

The VICE PRESIDENT. The question is now upon agreeing to the third amendment offered by the Senator from Arkansas [Mr. CARAWAY], which the clerk will read.

The CHIEF CLERK. On page 2, line 3, after the word "lease," insert the words "or leases."

The amendment was agreed to.

The VICE PRESIDENT. The concurrent resolution is before the Senate and still open to amendment.

Mr. NEELY. I offer three amendments and ask that they be voted on. My first motion is to amend the concurrent resolution on page 2, line 4, by striking out the word "fifty" and inserting the word "twenty."

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 2, line 4, strike out "fifty" and insert in lieu thereof the word "twenty," so that it will read: except that the lease or leases shall be for a period not to exceed 20 years.

Mr. NORRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. FERRIS (when his name was called). I am paired with the senior Senator from Kansas [Mr. CURTIS], who is absent. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. FLETCHER (when his name was called). Making the same announcement as before as to my pair, I vote "nay."

Mr. JONES of New Mexico (when his name was called). Making the same announcement as to the transfer of my pair as on the previous vote, I vote "yea."

Mr. NORRIS (when his name was called). Making the same announcement as to my pair as before, I withhold my vote.

Mr. WILLIS (when his name was called). Making the same announcement as to the transfer of my pair with the senior Senator from Tennessee [Mr. McKELLAR] to the junior Senator from New Hampshire [Mr. KEYES], I vote "nay."

The roll call was concluded.

Mr. BAYARD. I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. I am informed that if he were present, he would vote as I shall vote. I vote "nay."

The result was announced—yeas 30, nays 43, as follows:

## YEAS—30

Ashurst	Dill	La Follette	Shipstead
Bleas	Frazier	McMaster	Simmons
Borah	George	McNary	Smith
Bratton	Gooding	Neely	Stanfield
Brookhart	Harris	Norbeck	Walsh
Broussard	Howell	Nye	Wheeler
Copeland	Johnson	Overman	
Couzens	Jones, N. Mex.	Sheppard	

## NAYS—43

Bayard	Edge	Hale	Mayfield
Bingham	Edwards	Harrell	Means
Butler	Ernst	Harrison	Metcalf
Cameron	Fess	Heflin	Oddie
Capper	Fletcher	Jones, Wash.	Pepper
Caraway	Glass	Kendrick	Phipps
Cummins	Goff	Lenroot	Pine
Dale	Greene	McLean	Pittman

Robinson, Ark.	Shortridge	Trammell	Watson
Robinson, Ind.	Smoot	Tyson	Weller
Sackett	Stephens	Wadsworth	Williams
Schall	Swanson	Warren	Willis

## NOT VOTING—18

Bruce	Ferris	McKellar	Reed, Mo.
Curtis	Gerry	McKinley	Reed, Pa.
Deneen	Gillett	Moses	Underwood
du Pont	Keyes	Norris	
Fernald	King	Ransdell	

So Mr. NEELY's amendment was rejected.

Mr. NEELY. I ask that my second proposed amendment be stated.

Mr. NORBECK. Will the Senator from West Virginia yield while I offer an amendment to provide for a lease or leases of 30 years instead of 50 years?

Mr. NEELY. I yield for that purpose.

Mr. NORBECK. I send the amendment to the desk and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 4, the Senator from South Dakota proposes to strike out "50" and insert "30" so as to read:

Except that the lease shall be for a period not to exceed 30 years.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from South Dakota.

Mr. NORBECK. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as to my pair, I understand that if my pair were present he would vote as I desire to vote. I therefore am at liberty to vote. I vote "nay."

Mr. FERRIS (when his name was called). I have a pair with the senior Senator from Kansas [Mr. CURTIS]. If the senior Senator from Kansas were present, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. JONES of New Mexico (when his name was called). Making the same announcement as on a previous vote regarding the transfer of my pair, I vote "yea."

Mr. NORRIS (when his name was called). I am paired and withhold my vote.

Mr. WILLIS (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. McKELLAR] to the junior Senator from New Hampshire [Mr. KEYES] and vote "nay."

The roll call was concluded.

Mr. BROUSSARD. My colleague, the senior Senator from Louisiana [Mr. RANSDELL], is unavoidably absent. If he were present, he would vote "yea."

The result was announced—yeas 30, nays 47, as follows:

## YEAS—30

Ashurst	Dill	La Follette	Shipstead
Bleas	Frazier	McMaster	Simmons
Borah	George	McNary	Stanfield
Bratton	Gooding	Neely	Trammell
Brookhart	Harris	Norbeck	Walsh
Broussard	Howell	Nye	Wheeler
Copeland	Johnson	Overman	
Couzens	Jones, N. Mex.	Sheppard	

## NAYS—47

Bayard	Fletcher	Mayfield	Shortridge
Bingham	Glass	Means	Smoot
Butler	Goff	Metcalf	Stephens
Cameron	Greene	Oddie	Swanson
Capper	Hale	Pepper	Tyson
Caraway	Harrell	Phipps	Wadsworth
Cummins	Harrison	Pine	Warren
Dale	Heflin	Pittman	Watson
Edge	Jones, Wash.	Robinson, Ark.	Weller
Edwards	Kendrick	Robinson, Ind.	Williams
Ernst	Lenroot	Sackett	Willis
Fess	McLean	Schall	

## NOT VOTING—19

Bruce	Ferris	McKellar	Reed, Mo.
Curtis	Gerry	McKinley	Reed, Pa.
Deneen	Gillett	Moses	Smith
du Pont	Keyes	Norris	Underwood
Fernald	King	Ransdell	

So Mr. NORBECK's amendment was rejected.

Mr. NEELY. I ask now that my next amendment may be stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 5, strike out the words "have leave to," so as to read:

Said committee shall report its findings and recommendations, etc.

Mr. HEFLIN. Mr. President, if my friend will permit me, the resolution in its last line provides that they shall report their findings.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. NEELY and Mr. NORRIS asked for the yeas and nays.

The yeas and nays were not ordered, and the amendment was rejected.

Mr. NEELY. I ask that the clerk state the next amendment which I have offered.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The next amendment offered by the Senator from West Virginia is, on page 2, line 4, after the word "years," to insert the following additional proviso:

*And provided further,* That there shall be reserved to the Government on the face of any lease that may be negotiated by virtue of this resolution the right to purchase from the lessee, after one year's notice in writing, all improvements made by such lessee on or in connection with the Muscle Shoals project, by the Government paying such lessee the actual cost of such improvements plus 6 per cent interest on the said cost from the date of its payment by the said lessee to the date of the completion of the Government's purchase of and payment for the improvements aforesaid.

Mr. NEELY. I ask for the yeas and nays.

The yeas and nays were not ordered, and the amendment was rejected.

Mr. BLEASE. I send to the desk an amendment which I offer.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from South Carolina.

The CHIEF CLERK. On page 2, line 11, after "1926," insert the words:

No action of the committee shall be binding on either party, or final, until agreed to by the Congress.

The amendment was rejected.

Mr. NEELY. I move to amend, on page 2, line 4, after the word "years," adding the following proviso:

*Provided,* That the lessee shall bind himself or itself to operate nitrate plant No. 2 to capacity, and exclusively for the production of fertilizer for the full term of the lease.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from West Virginia.

The amendment was rejected.

Mr. SMITH. Mr. President, the amendments that are to be proposed, I understand, are now all offered in so far as they are going to affect the resolution. I desire to offer a substitute for the resolution as amended. I have already sent it to the desk and I ask that the clerk may read it. I desire to modify the substitute. Where it reads "\$20,000,000" I ask that it may be changed to read "\$5,000,000," which I understand would be sufficient for all purposes.

Now, Mr. President, just one word of explanation—

The VICE PRESIDENT. The amendment is not debatable.

Mr. SMITH. Let the clerk read the substitute and it will explain itself.

The VICE PRESIDENT. The clerk will read the substitute proposed by the Senator from South Carolina.

The CHIEF CLERK. The Senator from South Carolina proposes to insert a preamble, as follows:

Whereas under section 124 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, it is provided that "the plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital"; and

Whereas the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala. (excepting nitrate plant No. 2), were acquired and constructed pursuant to the authorization contained in section 124 of such act of June 3, 1916; and

Whereas it is for the best interests of the people of the United States that such properties (including nitrate plant No. 2) shall continue to be maintained and operated by the Government and dedicated to the uses specified in section 124 of such act of June 3, 1916:

And to strike out all after the resolving clause of the concurrent resolution and to insert a substitute, as follows:

That all the functions vested in the President by section 124 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916 (including such of those functions as are now being exercised by the Secretary of War and the Secretary of Agriculture, respectively), and all functions with respect to the operation and maintenance of nitrate plant No. 2 shall be exercised by the Secretary of Agriculture for the benefit of the Government and people of the United States by providing for the national defense by insuring an adequate

supply of nitrates for use in time of war and by promoting agriculture through the development of cheaper commercial fertilizers.

Sec. 2. That in carrying out the provisions of this resolution the Secretary of Agriculture is authorized and directed to form, under the laws of the District of Columbia, a corporation for the maintenance and operation of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., and for the development of such additional facilities as the corporation considers necessary. The total capital stock of the corporation shall not exceed \$5,000,000. The Secretary of Agriculture may, for and on behalf of the United States, subscribe to, purchase, and vote not less than a majority of the capital stock of such corporation, and perform all other functions with respect thereto necessary to protect the interests of the United States and to carry out the purposes of this resolution.

Sec. 3. (a) That any excess power developed in the operation of such properties may be disposed of under such terms and conditions as the corporation may prescribe to any State or political subdivision thereof or to any individual, partnership, association, or corporation.

(b) The corporation shall give preference in the disposition of such excess power to the power requirements of States, political subdivisions of States, and public-service companies.

Sec. 4. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000,000, or so much thereof as may be necessary, to carry out the provisions of this resolution.

Mr. HEFLIN. Mr. President, I make the point of order that the amendment offered is in the form of a joint resolution and would require an expenditure of money; it would have to go to the President, and may not properly be offered as a substitute for a concurrent resolution. No resolution may be offered as a substitute for a concurrent resolution other than something of the same nature.

The VICE PRESIDENT. Under the precedents of the Senate the Chair rules that the point of order is not well taken. The question is on the amendment offered by the Senator from South Carolina [Mr. SMITH].

Mr. SMITH. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES]. I had an understanding with him, however, that I could vote on amendments to the resolution. This is a substitute for the resolution. I therefore transfer my pair with the Senator from New Hampshire to the senior Senator from Louisiana [Mr. RANSDELL] and shall vote. I vote "yea."

Mr. FERRIS (when his name was called). I have a pair with the Senator from Kansas [Mr. CURTIS]. If he were present, he would vote "nay," and, if I were permitted to vote, I should vote "yea."

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD]. On this vote I am unable to obtain a transfer. If I were permitted to vote, I should vote "yea." I withhold my vote.

Mr. NORRIS (when his name was called). Repeating the announcement which I made on the first roll call, I withhold my vote.

Mr. WILLIS (when his name was called). If the senior Senator from Tennessee [Mr. MCKELLAR] were present, I am advised he would vote for the substitute. I am paired with that Senator, but I transfer my pair to the junior Senator from New Hampshire [Mr. KEYES] and will vote. I vote "nay."

The roll call was concluded.

Mr. BAYARD. I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. I am informed that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote and vote "nay."

The result was announced—yeas 29, nays 47, as follows:

#### YEAS—29

Ashurst	Frazier	McNary	Smith
Bleas	George	Neely	Stanfield
Bratton	Gooding	Norbeck	Trammell
Brookhart	Harris	Nye	Walsh
Broussard	Howell	Overman	Wheeler
Copeland	Johnson	Sheppard	
Couzens	La Follette	Shipstead	
Dill	McMaster	Simmons	

#### NAYS—47

Bayard	Edge	Hale	Mayfield
Bingham	Edwards	Harrell	Means
Butler	Ernst	Harrison	Metcalf
Cameron	Fess	Hedin	Oddie
Capper	Fletcher	Jones, Wash.	Pepper
Caraway	Glass	Kendrick	Phipps
Cummins	Goff	Lenroot	Pine
Dale	Greene	McLean	Pittman



Robinson, Ark.  
Robinson, Ind.  
Sackett  
Schall

Shortridge  
Smoot  
Stephens  
Swanson

Tyson  
Wadsworth  
Warren  
Watson

Weller  
Williams  
Willis

## NOT VOTING—20

Borah  
Bruce  
Curtis  
Deneen  
du Pont

Fernald  
Ferris  
Gerry  
Gillett  
Jones, N. Mex.

Keyes  
King  
McKellar  
McKinley  
Moses

Norris  
Ransdell  
Reed, Mo.  
Reed, Pa.  
Underwood

So the amendment of Mr. SMITH's in the nature of a substitute was rejected.

The VICE PRESIDENT. The resolution is still open to amendment. If there are no further amendments, the question is, Shall the resolution, as amended, be agreed to?

Mr. HARRISON and Mr. HEFLIN called for the yeas and nays, and they were ordered.

The Chief Clerk proceeded to call.

Mr. BAYARD (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. I am unable to secure a transfer of that pair. In the absence of the junior Senator from Pennsylvania, I must withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. FERRIS (when his name was called). I am paired with the Senator from Kansas [Mr. CURTIS]. If he were present, I am informed that he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD]. I understand that if he were present he would vote "yea." I transfer my pair with him to the Senator from Louisiana [Mr. RANSDELL], and vote "nay."

Mr. NORRIS (when his name was called). On this vote, as on the votes on the amendments, I am paired with the senior Senator from Alabama [Mr. UNDERWOOD], who is detained from the Chamber on account of illness. If the Senator from Alabama were present, he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. WILLIS (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. MCKELLAR] to the junior Senator from New Hampshire [Mr. KEYES], and vote "yea."

The roll call was concluded.

Mr. FLETCHER. I desire to again announce my pair with the senior Senator from New Hampshire [Mr. MOSES]. If he were present, I am advised he would vote as I intend to vote. Therefore, I am at liberty to vote, and vote "yea."

Mr. ROBINSON of Arkansas. I have been requested to announce that the senior Senator from Rhode Island [Mr. GERRY] is necessarily absent; that the junior Senator from Maryland [Mr. BRUCE] is absent on account of the death of a relative, but if present, he would vote "yea"; that the senior Senator from Missouri [Mr. REED] is detained from the Senate on account of the death of a friend; and that the junior Senator from Utah [Mr. KING] is detained on account of illness.

Mr. BROUSSARD. I have a general pair with the senior Senator from New Hampshire [Mr. MOSES]. I understand he would vote as I intend to vote. Therefore I am at liberty to vote and vote "yea."

I also desire to announce that my colleague [Mr. RANSDELL] is unavoidably absent. If present, he would vote "nay."

Mr. JONES of Washington. I desire to announce the necessary absence of the senior Senator from Illinois [Mr. MCKINLEY], the junior Senator from Massachusetts [Mr. GILLETT], the senior Senator from Kansas [Mr. CURTIS], the senior Senator from New Hampshire [Mr. MOSES], the junior Senator from Illinois [Mr. DENEEN], the junior Senator from Delaware [Mr. DU PONT], the senior Senator from Maine [Mr. FERNALD], and the junior Senator from New Hampshire [Mr. KEYES]. If present, those Senators would vote "yea." I also desire to announce the pairs of the junior Senator from Massachusetts [Mr. GILLETT] with the senior Senator from Missouri [Mr. REED].

The result was announced—yeas 51, nays 26, as follows:

## YEAS—51

Bingham  
Broussard  
Butler  
Cameron  
Capper  
Caraway  
Dale  
Edge  
Edwards  
Ernst  
Fess  
Fletcher  
Glass

Goff  
Greene  
Hale  
Harrell  
Harris  
Harrison  
Heflin  
Jones, Wash.  
Kendrick  
Lenroot  
McLean  
McNary  
Mayfield

Means  
Metcalf  
Neely  
Oddie  
Pepper  
Phipps  
Pine  
Pittman  
Robinson, Ark.  
Robinson, Ind.  
Sackett  
Schall  
Shortridge

Smoot  
Stanfield  
Stephens  
Swanson  
Trammell  
Tyson  
Wadsworth  
Warren  
Watson  
Weller  
Williams  
Willis

## NAYS—26

Ashurst  
Blease  
Borah  
Bratton  
Brookhart  
Copeland  
Couzens

Cummins  
Dill  
Frazier  
George  
Gooding  
Howell  
Johnson

Jones, N. Mex.  
La Follette  
McMaster  
Norbeck  
Nye  
Overman  
Sheppard

Shipstead  
Simmons  
Smith  
Walsh  
Wheeler

## NOT VOTING—19

Bayard  
Bruce  
Curtis  
Deneen  
du Pont

Fernald  
Ferris  
Gerry  
Gillett  
Keyes

King  
McKellar  
McKinley  
Moses  
Norris

Ransdell  
Reed, Mo.  
Reed, Pa.  
Underwood

So the concurrent resolution was agreed to, as follows:

*Resolved by the House of Representatives (the Senate concurring),* That a joint committee, to be known as the Joint Committee on Muscle Shoals, is hereby established to be composed of three members to be appointed by the President of the Senate from the Committee on Agriculture and Forestry and three members to be appointed by the Speaker of the House of Representatives from the Committee on Military Affairs.

The committee is authorized and directed to conduct negotiations for a lease or leases of the nitrate and power properties of the United States at Muscle Shoals, Ala., including the quarry properties at Waco, Ala., for the production of nitrates primarily and incidentally for power purposes, such power to be equitably distributed among the communities and States to which it may be properly transported, in order to serve national defense, agriculture, and industrial purposes, and upon terms which so far as possible shall provide benefits to the Government and to agriculture equal to or greater than those set forth in H. R. 518, Sixty-eighth Congress, first session, except that the lease or leases shall be for a period not to exceed 50 years.

Said committee shall have leave to report its findings and recommendations, together with a bill or joint resolution for the purpose of carrying them into effect, which bill or joint resolution shall, in the House, have the status that is provided for measures enumerated in clause 56 of Rule XI: *Provided*, That the committee shall report to Congress not later than April 26, 1926.

## EXECUTIVE SESSION

Mr. GOODING. Mr. President, I move that the Senate proceed to the consideration of Senate bill 575, to amend section 4 of the interstate commerce act, with the understanding that the Senate is going into executive session immediately, and the further understanding that the bill may be laid aside for the Army appropriation bill or any other appropriation bill.

The VICE PRESIDENT. Under the unanimous-consent agreement, the Senate automatically goes into executive session. The Sergeant at Arms will clear the galleries and close the doors.

Mr. WATSON. Mr. President, we were to go into executive session; but I ask unanimous consent that the executive session be postponed until to-morrow.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. Mr. President, has the motion of the Senator from Idaho been agreed to?

Mr. GOODING. No.

Mr. WATSON. Mr. President, may I make an explanation?

The VICE PRESIDENT. Certainly.

Mr. WATSON. Under a unanimous-consent agreement the Senate was to proceed with the consideration of the nomination of Mr. Hunt as a member of the Federal Trade Commission at the conclusion of the consideration of the concurrent resolution dealing with Muscle Shoals. The Senator from Utah [Mr. KING] is ill, however, and can not be present. The Senator from Iowa [Mr. CUMMINS] has agreed not to proceed in the absence of the Senator from Utah. It is desirable that we proceed with legislation; and therefore, that we may do so in order, I ask unanimous consent that the executive session be postponed until to-morrow at 4 o'clock.

The VICE PRESIDENT. Is there objection?

Mr. CUMMINS. Mr. President, there is an objection. It was understood in my discussion of the matter with the Senator from Montana, the Senator from Utah [Mr. KING] being absent, that a time would be fixed for voting upon the nomination of Mr. Hunt.

Mr. WATSON. Why may not this all be fixed to-morrow as well as to-day?

Mr. CUMMINS. I want it to be fixed to-morrow. I want a vote to-morrow.

Mr. WATSON. But I do not think we ought to fix it unless we are in executive session.

Mr. CUMMINS. I do not think so, either; and therefore we will have to go into executive session.

Mr. WATSON. Let us fix the time to vote when we get into executive session to-morrow, and let the Senator from New York go on to-day with his military bill.

Mr. JONES of Washington. Mr. President, let me suggest to the Senator that several Senators have spoken to me this afternoon regarding other executive business, and wanted to know if we would have an executive session; and of course I told them that we would, because no change had been made in the unanimous-consent agreement with regard to the executive session. I suggest that if we go into executive session we will close up our business quicker than otherwise.

Mr. WATSON. The Senator from New York could pass his military bill while we are fooling around with an executive session.

Mr. CUMMINS. We can not take up the matter for discussion before to-morrow, but we can make an agreement this afternoon to vote to-morrow.

Mr. WATSON. Mr. President, there being objection to the unanimous-consent request, I move that the Senate proceed to the consideration of executive business.

Mr. ASHURST. But the Senator from Idaho [Mr. GOODING] has a prior motion.

The VICE PRESIDENT. The Senator from Indiana has simply stated the order as it exists at present.

Mr. SMOOT. Mr. President, is it not proper at this time for the Senator from Idaho to ask unanimous consent—

Mr. ROBINSON of Arkansas. Mr. President, I call for order in the Chamber. I should like to know what is going on here.

Mr. SMOOT. I asked the Chair if it is not proper at this time, notwithstanding the unanimous-consent agreement to go into executive session, to ask unanimous consent to proceed to the consideration of the bill that the Senator from Idaho [Mr. GOODING] has just moved to take up?

The VICE PRESIDENT. If there is no objection—

Mr. SMOOT. Why does not the Senator do that?

Mr. GOODING. I ask unanimous consent—

Mr. SMOOT. I find, however, that the Senator will have to move to take up the bill.

Mr. GOODING. Then, Mr. President, I move that the Senate proceed to the consideration of Senate bill 575, with the understanding that it is not to be discussed this afternoon and that it will be laid aside for the Army appropriation bill.

The VICE PRESIDENT. The motion is out of order.

Mr. SHEPPARD. I call for the regular order.

The VICE PRESIDENT. The Sergeant at Arms will clear the galleries and close the doors.

Mr. ASHURST. Mr. President, a point of order. When was that order entered?

The VICE PRESIDENT. The order was entered last Saturday. The Senate is in executive session. The Sergeant at Arms will clear the galleries and close the doors.

The doors were closed. After 10 minutes spent in executive session the doors were reopened.

#### LONG AND SHORT HAUL CLAUSE OF INTERSTATE COMMERCE ACT

Mr. GOODING. Mr. President, I move that the Senate proceed to the consideration of Senate bill 575, to amend section 4 of the interstate commerce act.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 575) to amend section 4 of the interstate commerce act.

Mr. WADSWORTH. I ask unanimous consent that the unfinished business be temporarily laid aside in order that the Senate may proceed to the consideration of House bill 8917, the War Department appropriation bill.

Mr. ROBINSON of Arkansas. It is practically 5 o'clock now, and I do not believe the Senate should pursue that course. We have given the right of way to the long and short haul bill, and now, without giving it any consideration at all, it is proposed that it be laid aside and that we take up a general appropriation bill at this hour. I do not believe the Senator from New York should attempt to do that. So far as I am concerned, I shall be glad to facilitate the consideration of this appropriation bill, but I do not think we ought to take it up at this hour, which is practically the usual hour of adjournment.

Mr. WADSWORTH. Let me make an inquiry of the Senator from Arkansas. Would it be the idea of the Senator that the Senate should proceed now to a discussion of the long and short haul bill?

Mr. ROBINSON of Arkansas. My idea is that we should take an adjournment at this time. We have done a day's work, and I do not know of any reason why we should at this hour proceed with either of these measures.

Mr. WADSWORTH. If the Senate shall decide to adjourn or take a recess at this time, I will make the same request to-morrow.

Mr. ROBINSON of Arkansas. I should have no objection to laying aside the long and short haul bill to-morrow, if those in charge of the bill desire to have that course followed, and to taking up the War Department appropriation bill. The unfinished business will not come up until 2 o'clock, if we adjourn.

#### ADJOURNMENT

Mr. GOODING. I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 4 o'clock and 50 minutes p. m.) adjourned until to-morrow, Tuesday, March 9, 1926, at 12 o'clock meridian.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate March 8 (legislative day of March 6), 1926*

##### UNITED STATES MARSHAL

Louis Buchwald to be United States marshal, northern district of West Virginia.

##### SURVEYOR OF CUSTOMS

Edward E. Philbrook to be surveyor of customs at Portland, Me.

##### COLLECTORS OF CUSTOMS

Charles Fowler to be collector of customs at Nogales, Ariz.  
John C. McBride to be collector of customs at Juneau, Alaska.

Alexander L. McCaskill to be collector of customs at Wilmington, N. C.

Judson LaMoore, jr., to be collector of customs at Pembina, N. Dak.

Millard T. Hartson to be collector of customs at Seattle, Wash.

##### COLLECTOR OF INTERNAL REVENUE

Jacob O. Bender to be collector of internal revenue for the district of Louisiana.

##### POSTMASTERS

###### ILLINOIS

Joseph J. Janda, Berwyn.

###### IOWA

William R. Prewitt, Forest City.

Raymond W. Rhoades, Glenwood.

Eva Keith, Goldfield.

Inga E. Cheely, Hornick.

Fred E. Bourgeois, Kalona.

William C. McCurdy, Massena.

Eugene E. Heldridge, Milford.

Frerich O. Christoffers, Palmer.

Otto J. Warneke, Readlyn.

Christa A. Hendrix, Silver City.

Ross G. Hauser, Union.

## HOUSE OF REPRESENTATIVES

MONDAY, March 8, 1926

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our heavenly Father, feed us with the bread of heaven that we may be faithful to duty, strong in our convictions, responsive to all good, and sensitive to all wrong. When we meditate upon Thy marvelous works and the provisions Thou hast made for our preservation and redemption we are moved to wonder. When we behold the Father's love in the heart of our Savior we are stirred with the deepest emotions of praise and gratitude. In all things may He be our true example and may we love him in thought, word, and deed. Our relationship to society and state calls for strength, patience, tenderness, and discrimination. Our work means the bending of our whole soul to a serious undertaking. May we do good and no harm and never grow weary. In the name of Jesus. Amen.

The Journal of the proceedings of Saturday, March 6, 1926, was read and approved.

#### LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. WAINWRIGHT, for to-day, on account of sickness.

#### POST OFFICE AT SEGUIN, TEX.

Mr. GRIEST. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter addressed to the chairman of the